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No. 73

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Legislative Assembly of Ontario

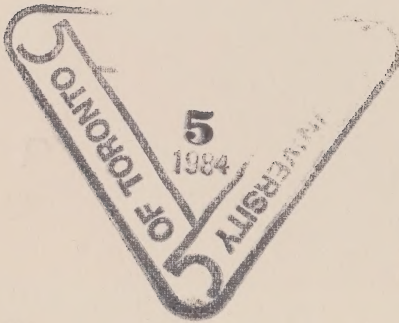
Third Session, 32nd Parliament
Tuesday, November 1, 1983
Evening Sitting

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday, November 1, 1983

The House resumed at 8 p.m.

ASSESSMENT AMENDMENT ACT

Hon. Mr. Gregory moved second reading of Bill 90, An Act to amend the Assessment Act.

Hon. Mr. Gregory: Mr. Speaker, when I introduced Bill 90 for first reading on October 18, I made some explanatory comments which I would like to expand upon as we consider the bill in detail.

The bill has three main purposes. First, the bill will defer to December 1984 the return of assessment rolls at full market value across the province. However, the bill will allow us to continue with the section 63 market-value-based reassessment program, which has been successfully implemented in 389 municipalities to date. The 90 municipalities considering the section 63 reassessment program at present will be able to proceed, if they so choose, with its implementation for taxation in 1984.

As I am sure honourable members are aware, the objectives of the section 63 program are to ensure that assessments within property classes are fair and equitable; to provide ratepayers with assessments based on market value, a concept they can clearly understand; and to provide municipalities with defensible tax bases.

The honourable members know that, together with the 142 municipalities proclaimed at full market value, nearly two thirds of all the municipalities in this province have been reassessed on a market-value basis. It is my view that this progress on the reassessment front is a remarkable achievement towards the goal of an equitable property assessment and taxation system for Ontario's municipalities. This accomplishment, coupled with the fact that the program is voluntary on the part of the municipalities, emphasizes its worth.

In summary, the first purpose of the bill is to provide for the return of assessment rolls for municipal taxation at present levels of assessment, except where the section 63 market-value-based reassessment program will be introduced.

The second purpose of this bill allows for the distribution of assessment notices to only those owners and tenants of real property in respect of

which a change to any of the recorded information on last year's notice has occurred. In conjunction with this amendment, my ministry will also send notices to those owners and tenants who appealed their assessment last year.

In introducing this provision, I want to remind the honourable members that included with the mailing of the 1982 assessment notices to all property owners and tenants last year was a message advising them to retain their 1982 notices for future reference. I want to stress that every owner and tenant received this advance notification. That message read as follows: "Beginning in 1983 you will not receive a notice of assessment unless there has been a change to any of the information on your 1982 notice or unless your assessment was appealed in the previous year."

All ratepayers were further advised that this measure was being introduced for three reasons.

The present assessment notice duplicates information already contained on both the assessment rolls available for public inspection in municipal offices throughout the year and on municipal and school tax bills.

By limiting the number of assessment notices mailed each year—currently approximately six million—government spending in this area will be substantially reduced. The mailing of assessment notices costs Ontario approximately \$3 million annually, and this cost will continue to rise as postal rates increase. Mailing notices only to those owners and tenants of property where there has been a change to any of the recorded information, or an appeal had been filed, will result in a substantial reduction in government spending of almost \$2 million.

The notice of assessment will become more effective in alerting ratepayers to changes in their assessment. A targeted mailing of assessment notices will increase the significance of the notice, focusing on the fact there has been a change to some of the recorded information. Approximately 3.5 million assessment notices do not change from year to year.

It is for these reasons that this provision has been introduced in this bill. However, for the clarification of the members opposite I wish to highlight two points.

First, all ratepayers will retain their rights to appeal their assessments in the usual way. The final date for filing an appeal with the regional registrar of the Assessment Review Board will be Tuesday, January 10, 1984. Ratepayers will be advised of appeal procedures and the final date for filing an appeal through the ministry's annual media campaign in support of the return of assessment rolls across Ontario. At that time, the schedule of open houses and their locations will be announced. These open houses afford ratepayers the opportunity to meet with assessors to review their assessments.

Second, in the year when a reassessment occurs, under the provisions of section 63 or section 70 of the Assessment Act, all property owners and tenants in the reassessed municipality will of course receive assessment notices. The mailing of these notices in support of a reassessment is usually delayed until February, and the final date for filing an appeal is accordingly set 21 days after return of those rolls.

Finally, the bill contains an administrative amendment to provide that the regional assessment commissioner, as well as the secretary of the Ontario Municipal Board, will receive notice of an application to the OMB by a municipality for a review of its equalized assessment and equalization factor. This provision will allow the ministry adequate notice and time to prepare a report for the OMB's review at the hearing of the application.

Equalization factors are important, for they form the basis of the distribution of provincial grants to municipalities and school boards, totalling more than \$5 billion last year, and are used in the apportionment of shared costs among municipalities within regions and counties. In this regard, my ministry produces approximately 1,000 equalization factors annually, and fewer than one per cent of these are appealed each year.

This concludes my introductory remarks on second reading of Bill 90.

8:10 p.m.

Mr. Nixon: Mr. Speaker, on a point of order: I would like to bring to your attention that Lorne Maeck, the former Minister of Revenue, is in the gallery, on the Tory side for some reason. The only reason I bring it to your attention is that the poor guy, if he stays tonight, is going to have to hear the same criticisms of inadequate government policies as have been repeated for the past 12 years, ever since a succession of Ministers of Revenue have been fumbling with this whole reassessment policy.

The Deputy Speaker: I thought the point of order was a question of why you found it strange that he was sitting on the Tory side.

Mr. Breaugh: Mr. Speaker, on a point of order: I would like the minister to clarify something. In a conversation before the debate began, he indicated to me that an amendment would be put forward that would substantially alter the bill; that is, to take out section 2. If we are to have a sensible debate on second reading, we should have some indication as to what the minister's intentions are. Certainly that would be a contentious part of the debate on the bill, and it would help if we knew now what amendment he did intend to propose to the House. It might well alter the course of the debate.

Hon. Mr. Gregory: Mr. Speaker, I am sure the member misunderstood what I said. We have received, and it has been recorded with the Clerk, a copy of the amendment by a member of the Liberal Party. I really think the matter of how I intend to deal with that should come up in committee of the whole.

Mr. Breaugh: That is fine. I wonder whether I might get a copy of that amendment if it has been tabled with the table officers.

Mr. Epp: Mr. Speaker, first of all, I want to congratulate the minister on his appointment—or anointment, whatever it might be—to that position.

I am also pleased to see the former member for Parry Sound in our midst today. He certainly brought a lot of interest and colour to the debates in the Legislature. At very many times he was blushing with embarrassment when he had to defend the government policy on these matters, but we sympathized with him and tried to help him out as much as we could.

He could not bear it any longer and he finally retired in 1981, but I understand that he is doing quite well now. He does not have the same embarrassment now in his own business as he used to have in being a member of the government at that time. So welcome back to the Legislature, Mr. Maeck.

This bill concerns a number of matters. We support the bill in principle, but we have difficulty with a number of matters in it, and I am going to raise a number of questions that I hope the minister will be able to respond to fully at the completion of the debate, whether that is today or another day.

First of all, I want to say with regard to the assessment rolls being returned and these kinds of matters that we do that every year; it comes

as regularly as Christmas. We support the predicament the government has put itself into where it has to come before the House annually and have legislation passed so those rolls can be returned.

We also have no real difficulty with section 63, which used to be section 86, but I wish the minister would give us a greater explanation of how it is working in various municipalities.

I still find it difficult to understand why the current minister's immediate predecessor and his predecessor two back were very stubborn about giving municipalities the kind of computer data they wanted with respect to individual households. They gave municipalities general information with respect to how the new equalization of assessment would impact on the municipality and on groups, but they would not give them individual information.

I find that somewhat of an affront to the individuals in a municipality who pay taxes and yet, when a new system is incorporated, do not know how it is going to impact on their properties. I wish this minister would finally see the wisdom of giving out complete information to the taxpayers of this province so they can react in a very intelligent way when this new system is brought in.

The minister has indicated that 389 municipalities have adopted section 63 and around 89 are in the process of adopting it or asking questions about it. The minister has a chance to make an intelligent change in that policy so that the people of Ontario can get that information. I think they have a God-given right to that information. It should be in the freedom of information bill that the taxpayers get that information whenever the bill comes forward.

The minister indicated that we were going to have section 2 deleted, that we are going to move to have it deleted. That is the controversial section he referred to earlier. He stated that currently there are six million people who receive assessment notices from the province at a cost of \$3 million. He has given a number of reasons for changing that, and I will not recite the reasons.

I do, however, want to refer to the city of Toronto where we have a problem in regard to a lot of people of ethnic origin. The city of Toronto has indicated in one of its reports that in ward 3 about 10.3 per cent of the people appealed their assessments notices; in ward 4, 20.6 per cent appealed; and in ward 5, 44.7 per cent appealed; for an average of 21.9 per cent.

The wards where there is a very low record of

appeals by citizens are highly ethnic-concentrated areas. When home owners who have difficulty with the language and so forth get these notices they have difficulty understanding what they mean and often they do not appeal.

If we are going to reduce the opportunities for those various home owners to appeal their assessments, if we are going to reduce the number of times they are informed about their assessments, whether they are changed or not, then we are going to reduce the number of appeals. I suspect this is what the minister is driving at.

What he really wants to do is not to save the \$3 million minus the number of notices he is going to send out anyway when changes take place; he wants to cut down on the number of appeals that take place in Ontario. I respectfully suggest that the people he is going to hurt are not the ones who are very knowledgeable about the matters of the province but the ones who have difficulty in reading some of the notices or in comprehending what exactly is going on, and he is going to reduce those to even a greater extent than anyone else.

The government is going to save money on appeals because people will not know enough to appeal their notices even when changes do not take place. I recognize that they will be receiving notices when changes take place, but if they feel their assessments are too high anyway they will not be able to appeal them. I recognize that they can go to city hall and look at the assessment rolls and they will get their municipal tax bills, but they will not be getting notices from the province.

I want to refer to a city of Toronto executive committee report and cite a number of problems with assessment. I wonder whether the minister would be so kind as to try to explain at length the inconsistencies or problems people have encountered in the assessment courts in the province in the past year or two. The city of Toronto executive committee report number 44 was discussed on October 17 this year. I am sure the minister's officials have copies of that with them so they can easily refer to it.

These cases were drawn to the attention of the executive committee by Alderman Ron Kanter, a very able alderman in the city of Toronto. These cases have not, to my knowledge, been disputed by the ministry, so obviously they are accurate.

8:20 p.m.

I want to quote from his report, "The board does not consistently use market value." I would

like the minister to categorically tell us the ministry does always use market value. That is what they say in their various pieces of literature. He says, "The board does not consistently use market value of similar properties in the vicinity as criteria for determining assessment. According to the Assessment Act and the Step-by-Step Guide on How to Appeal your Residential Property Tax Assessment, prepared by the Ministry of the Attorney General, market value is the only factor to be considered in assessing property values.

"When the Assessment Review Board permits evidence of market value of properties, it excludes evidence of properties which have been renovated but not reassessed. Consequently, a property owner will be paying higher property taxes than his neighbours living in properties of similar or greater value for one or more years."

He goes on to say: "There appears to be little consistency of practice among different members of the board with regard to important procedural questions such as adjournments and prior disclosure of information. There are daily examples of market-value arguments being cast aside as irrelevant, while at the same time market values are referred to frequently by the assessors and the members."

He quotes a case. "On September 22, a resident of Lyndhurst Avenue presented an excellent case based on market value. That argument was totally rejected. During a later case regarding a property on Melville Avenue, the chairman stated that he was of the opinion that needed replumbing and rewiring greatly increased the market value and thus no reduction in assessment was deemed necessary."

It appears that market value is irrelevant only when discussed by the appellant. So in some cases the ministry accepts market value and in other cases, when it is convenient, it rejects it.

I am sure everyone in the city of Toronto and in every one of the 835 municipalities would like a clear and concise statement on what is really the policy of the ministry. Then I would like that distributed to the various assessors so they know the policy and so there is consistency.

I respectfully suggest that the inconsistency flowing out of Queen's Park and going to all the corners of Ontario is emanating from right here or the ministry is deliberately confusing the issue out there so people do not know what is happening and therefore they can give any kind of decision, whatever is convenient to the ministry.

"On September 20, evidence given by several residents of MacPherson Avenue of 'similar real properties' of similar size and renovation with lower assessments was not accepted because the assessment department was unaware that the named properties had been renovated and not reassessed. The member felt the evidence was irrelevant and disregarded it."

He goes on to say: "The Assessment Act does not interpret similar real property as that which has been categorized as such by the assessment commissioner or his department. I therefore object to this evidence not being accepted by the member as valid."

He speaks about another case here. "Moreover, there is a serious inconsistency in the interpretation of this section by the chairman which must be addressed and rectified. Some of those appealing their assessments are given complete information on the comparable properties used by the assessment department and others are given no information, or incorrect information.

"On September 19, my assistant requested an adjournment in a case she was attending. Her request was based on an assurance by Mr. Forrest Thompson, commissioner of the assessment department, that information for six comparable properties would be made available to each complainant. She advised the member that our constituent was not aware of the availability of such information and was not prepared to present his argument. The adjournment was granted."

There were six comparable properties they were going to use during an assessment hearing. "Mr. M. Bell, the assessor, provided six comparables and pertinent information on each." Fair enough. Then they go on: "Three days later, September 22, my assistant returned to the assessment review hearing to present the case armed with additional information on each of the properties listed by Mr. Bell. Four comparables were presented by the assessment department. None of those given her by Mr. Bell on September 19 were presented as comparables."

I ask the minister, is that deliberately misleading the court? If one is going to present a case for a certain property and the assessor says, "Look, we are going to use these six properties as comparables," one asks for an adjournment so he can get the six properties, he returns three days later and what do they do? They change their comparables. I would respectfully suggest they have deliberately misled that court for the

sake of trying to protect their hides and for the sake of keeping those assessments up.

"The objection to the rather questionable change was ignored. Some of the members hearing appeals swear in those presenting evidence. Others do not." That is a matter of procedure, so the procedures are not consistent.

"Perhaps more disturbing, some members swear some people in sometimes, but not at other times. On September 20 and 21 there was great inconsistency in the swearing-in procedure. There should be established procedure followed by all members at all times. If there is some discretion allowed to individual members, each member should be required to follow the same procedure without regard to who is giving evidence.

"Lastly members have different criteria for determining what a 'renovation' is. Some members consider new plumbing and wiring as deferred maintenance, others consider it renovation. Some members do not differentiate between a partial replacement of defective wiring or plumbing and a total replacement of those utilities at the time of gutting a house for complete renovation. There should be an established guideline for determining what deferred maintenance is as opposed to renovation."

There are other cases of this nature; I could cite a number of them. I am not going to go through those, but I do believe the minister has a responsibility to this Legislature, to the assessors and to the people of the province to bring some consistency into the whole meaning of assessment in the province and I hope he is going to be able to do that.

I wonder whether the minister would also elaborate on the "media campaign" he hopes to engage in later this year. I wonder if it is going to be a complete in-house media campaign or if he intends to have consultants do it for his ministry and whether he intends to spend \$500,000 or \$1 million.

I noticed that the Minister of Municipal Affairs and Housing (Mr. Bennett), when he had his get-the-vote-out campaign last year, spent \$850,000. I hope I am wrong on this, but I just wonder whether the minister intends to give all of that out to private consultants so that in fact he is going to save \$2 million on not sending out assessment notices but have an increased media campaign in order that people are aware of the changes that have taken place. Maybe the minister can elaborate on that and tell us how much it is going to cost and how it is going to be conducted.

Last, as I have indicated, we intend to move a motion in committee to delete section 2 because we feel that the people of this province would be better served if those notices were to be distributed to all six million people rather than to only those 40 per cent who would be receiving notices because a change in the assessment was being entertained by the ministry.

The Deputy Speaker: I thank the member for his remarks and recognize the member for Oshawa.

[Applause]

Mr. Breagh: Try to control the demonstration.

Mr. Speaker, we are going to oppose this bill. There are some very valid reasons for looking at the bill, which at first blush appears to be rather an administrative bill, not substantial in nature and dealing with some fine points. If I recall the minister's statement when he introduced the legislation, he rather put it in that light as well, that this was something that was done every year now, that there were a few administrative changes in it but they were not substantive in nature.

8:30 p.m.

On closer reading of the bill, one finds there is a bit of history to it. For one thing, it does in a perverse way postpone market-value assessment for I believe the ninth time in a row. Some members will be grateful to see that postponement made, myself among them. But I think it is time the government of Ontario made up its mind on this process. If it is accepting the concept of market-value assessment, if it believes that is a fair and just way to proceed, then it strikes me the government has an obligation to do what it apparently originally intended to do, and that is to implement market-value assessment across Ontario.

The process has not quite worked out that way. The process has worked out to be a system of subversion where there is a technique used which invites various municipalities to have this wonderfulness visited upon their municipalities. A little over 300 or 390-odd, whatever the number, but a fair number of municipalities have accepted the proposition put forward by the ministry and have gone that way. In other municipalities it has not worked quite as smoothly as that.

There are many municipalities that take a look at market-value assessment and say it does not seem to put the municipality ahead very much, even though there are long-standing arguments about the current process of assess-

ment and a lot of recognition that there are problems in that. To move to a market-value assessment, particularly the one being promoted by this government, does not seem to do many people much good either.

The process is a rather interesting one. In Metropolitan Toronto last year, particularly in the city of Toronto, a model was done. A proposal was put forward to provide a study of what market-value assessment would do in Toronto. The then Minister of Revenue (Mr. Ashe) made several of what I thought were rather clear pronouncements that he intended to proceed with putting in market-value assessment in Toronto. Rumour has it he was bush-whacked somewhere in a Tory caucus meeting and it never really came to fruition.

As a matter of fact, one might look across the aisle these days and see that Minister of Revenue is no longer there. He has found himself another occupation. He has paid the price for being so bold as to try to force that down the throats of people who live in Toronto.

I think there are some real difficulties with the current concept of market-value assessment. This is an awkward way for the province to proceed. It is almost asking the municipalities to invite it in to commit hara-kiri. It is a process which is somewhat stalled just now. Many municipalities are looking at those who have taken on market-value assessment and are not happy with the results. They see it solves some problems and creates others.

In general terms, I think it is not unfair to say the assessment process in Ontario is not widely understood. Many people here in the city of Toronto who have had assessments on their houses increased dramatically were somewhat startled to find out how that happened. Most of us would have assumed someone would rap on one's front door and say: "How are you? I am from the Ministry of Revenue. We understand you made some improvements to your house. We would like to go through it and make an assessment of your house." Somebody would fill out a little audit form and present that to one. If one did not agree with that, there would be due process.

Many people in Toronto were rather shocked to find that very often nobody knocks on one's door. Sometimes they drive down one's street and sometimes they do not but, at any rate, the assessment gets increased. Then one finds the joys and pleasures of trying to appeal that assessment.

The basis of that is another little twist which is

proposed in this bill; that is, to eliminate the annual assessment notices to many people unless there has been a change in their assessed value over the year.

A second major point I would make in opposition to the bill is that very premise. It is a form of taxation without notifying people. It is a form of changing the basis for the municipal property tax without really providing them with a formal notice. It seems to me people are at least due that amount of information from the government.

More important, and it is a little below the surface but it has to be said, is that many people will forget who is doing the assessment on their property. Many people will not be given an annual notice of their assessment and perhaps might even forget what the assessment process is all about. It seems to me that is a particularly uncomfortable notion to put forward.

I want to say too that in the process of this and in reading some of the background materials, the premise was that Ontario is spending about \$3 million sending out the assessment notices. It could save some money if it did not send everybody a notice, but only those people where a change would occur. This seems like a fairly straightforward, common-sense point of view. The difficulties occur when one looks at the appeal process. If one does not get the assessment notice, he is losing some of his rights to appeal.

Then one reads on a little further and finds out the ministry has other plans. It has decided to save some money on mailing these assessment notices.

It is also identifying in here—a little earlier on and without any numbers attached to it—that another kind of program will take place. That is a public relations program. The ministry, instead of mailing a formal assessment notice, will do so through the airwaves and in the newspapers. I am not opposed to governments informing the population at large about what they are up to. I think it would be nice if they did it in a slightly more straightforward way.

However, one of the things I do object to is the advertising campaigns that go on around the government programs. What I find particularly irritating, as a matter of fact it comes from the same ministry, is that even when there are programs under way that are having some difficulty—the grants to senior citizens is a good example that springs to mind; the program is not working as smoothly in its initial years as they thought it would and still isn't, but a massive

advertising program was under way. It was telling the people out there what wonderful programs were being run by the government of the day.

People somehow assume that if a government is running a program, the program must be working. This was not the case. The massive advertising program continues. The program itself does not function very well. The byproduct is that the government has this opportunity, at the taxpayers' expense, to tell people in Ontario how wonderful it is.

Quite frankly, I suspect that in the end this is pretty much what they have in mind with this program: taking away the simple idea of mailing people a formal assessment notice, taking away in that process some of their rights as citizens—not all of them, but some of them—and putting in its place a pretty hefty little advertising program which will convince the people of Ontario that the Minister of Revenue is a wonderful person. It would take a lot of advertising dollars to convince the people at large, but perhaps he might even try that. I even see his smiling face on television telling people how wonderful market-value assessment is. I think it would take a whole lot of tax dollars to get that advertising campaign under way.

In general, I think there is a good deal which has to be looked at in this legislation. It purports to be rather simple and straightforward, but it is not. It purports to be something which is kind of a bookkeeping thing, simple common sense, do not notify people unless there is a change. But there are ramifications to that. I think we have an obligation to look at those, almost like a hidden agenda to a bill. I think they are there and they are valid.

In terms of whatever advertising program the government might have in place, we have to judge what they have in mind by their previous record. I think the previous record of this ministry and most of the ministries over there is that when they undertake a program to inform the public, the thrust of the program is to inform the public of how wonderful they are. It is not necessarily to inform the public about the details of a program or of what their rights are, but to make this government look good. Particularly, it appears where I am told it might even be a pre-election period. It would seem quite in order, after its past record, for this government to seize that opportunity to advertise at great length to the people of Ontario about the wonderfulness of the big blue machine.

In general, there are a number of difficulties

with this bill. There are enough of them that we should say, "If the government does not really want to proceed with market-value assessment, it should say so." It should end the annual ritual of a bill coming in which postpones that wonderful event. If the government of Ontario is serious about being fair with the people of Ontario, why does it not retain a system which provides an official notice of assessment on an annual basis so that their rights to appeal are maintained?

Finally, it has been brought to my attention that some members of the municipal field, particularly the city of Toronto, would appreciate an opportunity to make a presentation to a committee of the Legislature on this bill. I did take the time before the debate began to ask the minister for his consent to send it to committee. It appears the minister is not prepared to do that. We will be asking that the bill be sent out, perhaps only for a short period of time—

The Deputy Speaker: Order. If I may just interrupt the member for one moment, I would like to remind the members that all evening thus far the level of discussions has been up. At one point I counted no fewer than 18 conversations taking place. Could we either tone them down quietly or move them out so that we could hear the debate?

8:40 p.m.

Mr. Breagh: Mr. Speaker, I just want to conclude by saying we will be asking that the bill be sent out to committee. It probably does not need a great deal of time in committee, but at least the city of Toronto wants the opportunity to make a presentation to a committee of the Legislature on this bill. I suspect I know what they will want to say and it seems to me that it is pretty legitimate.

Although I do understand there is some urgency on the part of the minister to proceed with the legislation, it is not as if anybody is proposing a blockade of the legislation, but rather providing the opportunity to allow the city of Toronto and others interested in presenting a point of view to a committee of the Legislature on Bill 90 to do so.

In summary, the bill itself is more than just simple housekeeping; it is more than administrative work. There are changes being proposed in the bill which have ramifications for municipalities and for individual ratepayers that I think are not supportive. I think the major question of whether this government is really intending to proceed with market-value assessment needs to

be addressed. The annual bill that postpones that event is something I am tiring of rapidly.

We will not support the legislation on second reading. We will be happy to go to committee where it seems to me at the very least that second section should be investigated rather thoroughly. In my view, it ought to come out of there entirely.

If that is not the pleasure of the government, then at least it has to provide some clarification so that people who are not in receipt of an assessment notice will have their full legal rights honoured. I would appreciate at a later date in the debate on the bill if we can get some clarification on how the government intends to inform the people of Ontario, if it does not intend to give them proper written formal notice.

The Deputy Speaker: I thank the member for his remarks. Does any other honourable member wish to enter into the debate?

Mr. Nixon: Mr. Speaker, I see the former minister has left. Probably he realized I was going to join the debate and did not want to hear the speech again. I do not apologize for being critical of the assessment policy that is embodied in the bill because this is the ninth time in succession that we have passed similar legislation allowing the assessment rolls to be returned without market-value assessment.

I certainly recall the election of 1971 in which the then Treasurer and Minister of Economic Affairs and minister of most things, Darcy McKeough, decided that the final solution, if I may use that phrase, for local assessment was to centralize it at the provincial level. Many municipalities had already centralized their assessment responsibilities at the county level. This was before there were many regions imposed on the province.

The county assessment commissioner was close enough to the municipalities that the assessment commissioner's policy reflected the needs of the smaller municipalities very well indeed. Naturally, in applying provincial policy vis-à-vis grants and other municipal support, the Treasurer found it somewhat inconvenient that he had to use a large spectrum of equalization factors so that the grants would be provided in as fair and equitable a way as possible.

I think Darcy McKeough had the idea that, with market-value assessment administered at the centre, the elaborate grant program we had in existence then, which has become even more complex, would be easier to administer, since the assessment values would be arrived at in

precisely the same way in all parts of the province. It was not long before he was very deeply disappointed.

As you may recall, Mr. Speaker, the centralization of assessment saw an increase in the actual cost of the assessment function by a factor of about eight. The argument is made now that if assessment were turned back to the counties and regions, it would mean a much higher cost. That may be true, but only because the original centralization extended the costs so tremendously that really it is almost beyond repair.

Over these many years ministers as anxious to do a good job as the present incumbent have tried to come to grips with the problems of market-value assessment in the original McKeough concept and they have all failed. I happen to have a very high personal regard for the present incumbent and it may be that he will be able to get the kind of advice that will permit some sort of rational and equitable solution to this continuing problem, but when I hear his opening statement, carefully prepared, indicating that the utilization of section 63 on a gradual basis across the province, municipality by municipality, is going to achieve the McKeough goal, I do not believe that is so.

The minister is aware that section 63 does not allow for the transference of values among the classes of assessment, and unless there is such a transference of value, the kind of equity among industrial, commercial and residential cannot be achieved. Certainly, Mr. McKeough in the early experimental days—I think Peel county was one of the first to experiment with this—did move in with full market-value assessment with the transference of values among classes and found that the people who got lower assessments were delighted, but the people who got higher assessments did not like it.

This did not matter too much to Darcy McKeough—because he was quite prepared to impose regional government on Haldimand and Norfolk, or some kind of a near regional government on Muskoka, which did not have quite the same effect politically there as it had in Haldimand and Norfolk—but he was quite prepared to damn the torpedoes and go ahead here as well and do what he thought was right. He was such an influential member of the cabinet that even the new Premier (Mr. Davis) in those days was in a position to say, "Whatever you say, Darcy," because he certainly did not want Darcy to turn on him. The question would

have been who would come out on top in that particular cock fight.

It was not long until Darcy moved on to other things, and there has not been anybody in the cabinet, with great respect to all our good friends over there, noticeable by their absence tonight, who ever came close to telling the Premier what was best, particularly when it came to winning votes.

The Premier was smart enough to know that real market-value assessment would not live in this province. Whoever brought it in would soon find himself the butt of bad feeling from the electorate, and the Premier is probably the person most sensitive to maintaining good relations with the electorate. Certainly, I know that probably better than anybody in this House, although all of us are gradually learning that lesson more and more.

In fact, true market-value assessment, McKeough-style, will never be accomplished. I really feel the act ought to be amended simply to take that into consideration, rather than having these amendments year by year which seem to hold out the hope of Utopian concepts of market-value assessment with transferences of values among classes that would enable all the provincial grants to be paid with little or no equalization factor applying. We are never going to do that.

At the same time that we centralized assessment and got ourselves into this rats' nest we are still involved in and cannot seem to extricate ourselves from, we lost the value of assessment being under local control.

We know municipalities have as almost their only independent source of revenue the access to local assessment and the rates that are charged to the local residents and property owners on the basis of that assessment. For us to take the actual assessment away from them, as if somehow the assessors controlled by the Minister of Revenue would be able to do this in a fair and more equitable way, just flies in the face completely of any kind of a rational understanding of local autonomy.

8:50 p.m.

I doubt whether the present minister has as yet the clout to reverse what is a mistake that was entered into more than a decade ago. But if this government really thought seriously about local autonomy, it could come up with a package—a new deal—for the municipalities; and the cornerstone of that new deal would be to allow the municipalities to resume control over their own assessment. It would be quite

possible, and it would be recommended that the minister could supervise it in any reasonable way he felt necessary, but still the responsibility would be at the local level. The minister could do the sounding necessary to have the sort of equalization factors that would permit him to advise his colleagues in Education and Treasury and in Municipal Affairs and Housing to administer the dollars of support—and there are many hundreds of millions of them—to the municipalities with the fairness and equity we talk about in this connection.

For the last three or four ministers, I have made a speech urging them to throw aside the political caution that has rendered them personally almost useless in the development of new policy and to try to sell to their colleagues this new deal, this new partnership with the municipalities, which would have as its cornerstone a new approach to assessment.

I wish the ministers would stop trying to sell us in their statements pertaining to assessment the idea that we are gradually achieving the McKeough ideal of market-value assessment and all of its values, because certainly we are not going to achieve it. I would expect the minister will eventually impose the requirements of section 63 on the remaining townships and municipalities that have not had recourse to it and then announce with fanfare that market-value assessment has been accomplished.

If that is attempted, it will be a snare and a delusion. We will have achieved nothing, but spent hundreds of millions of dollars messing around with assessment, throwing many municipalities off balance, wasting these dollars in the acquisition of many new staff members and, at the same time, leaving it still a mystic science that only a few people understand, most notably a member in the back row of the New Democratic Party, a professional assessor, who is probably the only one in the House who really understands the thing.

I certainly do not want to suggest for a moment that the minister does not understand it, but the machinations and the subtleties of assessment have certainly eluded me. I have heard the minister's predecessors, in doing the assessment part of their estimates, being advised in hoarse whispers by their experts sitting at the table before them. They obviously did not know any more about it than any of the rest of us run-of-the-mill members of the House.

Until we can take a new approach to assessment and local taxation, citizens are going to be more and more outraged that they are forced to

try to come to grips with something that is as mysterious as the Law Society of Upper Canada or something like that. We feel the government is deliberately trying to make this difficult to understand. The poor people who own property and improve their properties in the city of Toronto or the township of South Dumfries feel they cannot cope with this at all.

They will go and talk with their local councillor and he will say, "That is handled at Queen's Park. You better go and see Bob Nixon. He knows all about assessment." Then I put it to the minister and he says, "I will put this to my experts." The experts, with the very best of intentions, may get together for a coffee break two or three times a week and talk to each other. There may be three or four of them who know what is going on, but nobody else in the universe does and, in a sense, nobody else cares. It is like a convoluted cryptic crossword where the prize is not good enough to warrant the time to work it out.

I would say to this minister, upwardly mobile as he is, with his eyes set on the leadership of the party—and who knows whether the Premier is going to be here for another little while, another few weeks or months—that there is time for anybody to make the big pitch. I am just suggesting to any of the upwardly mobile cabinet ministers that if they can say to the municipalities, "We have after 40 years evolved a new partnership involving real autonomy for the municipalities in which the cornerstone is going to be a return of the rational assessment function to the municipalities," they would make great headway.

I also want to say that the concepts of equalization factors referred to in this bill continue to add to the confusion and really the fury of some people—many people—who find themselves paying taxes on the basis of these equalization factors which are seen to be patently unfair. The section of the bill we are dealing with has to do with an appeal of these equalization factors and the fact that one has to let some other person know besides the Ontario Municipal Board. It does not make much difference anyway; it is for the convenience of the government so that they are not going to be caught high and dry by some smart municipality entering into an appeal successfully with the OMB.

The township of Brantford in the great county of Brant appealed its equalization factor, which was established by the Minister of Municipal Affairs and Housing. The OMB found the

equalization factor to be unfair and it was necessary to impose a new factor. You can imagine the disruption, Mr. Speaker, in all the municipalities in Brant county when they found that, one township having appealed its factor so that its payments for county and education costs were reduced, everybody else had to pay more.

But instead of saying, "Yes, we were wrong," the Ministry of Municipal Affairs and Housing imposed the very same factor the next year and dared them to appeal it to the municipal board. When a ministry dares a municipality to act against its direction, the municipality had better be careful what it is doing because the minister has ways of punishment that leave fiscal scars that are pretty deep.

I am just telling you, Mr. Speaker, that this whole concept of assessment and equalization factors is so ridiculously unfair and confused that as members of this House we ought to be ashamed even to be a part of it as the ministry goes on with these yearly corrections, and this the ninth year in a row.

As a matter of fact, one of the townships in the county of Brant, Onondaga, named for the great Indian tribe, is a small rural township; and it has found ever since 1972 that, compared with other land owners in the county of Brant, it has paid a disproportionately high share of education costs.

As a matter of fact, that finding is not argued by anybody. I can remember back in the early 1970s bringing it to the attention of the then Treasurer, who ran all these functions himself. He said, "Admittedly, there is going to be a little dislocation in the early months of centralized assessment as we move towards market value assessment." He was not prepared—in fact, his officials could not think of any way—to correct the problem, because once one diddles with one of those equalization factors in a county, the whole thing becomes so complex that it is like an elaborate nightmare of a tinker toy where the shafts do not fit into the holes, if members can get the picture.

Ever since then there has been no way to correct it. We have had delegations sit down with the Minister of Education (Miss Stephenson), herself a very intelligent and hardworking minister. We would go up to her plush boardroom, we would be served coffee—don't look at the clock; I'm just getting going—and we would have the full attention of the minister and her excellent staff. And after she would agree that they were paying too much for education she would say, "The equalization factor is not my

responsibility; it is the responsibility of the Minister of Revenue."

The whole thing gets more confused when we find that these equalization factors are changed from time to time and may be appealed under some circumstances, but for education they are frozen at the 1979 level or something like that.

My point, Mr. Speaker, and I know you are paying careful attention to all this, is that it is too complex for mortal mind to understand. Everybody says, "Oh, I know what we should do. We should get a Toronto lawyer." Pardon me, Al. "We should get somebody from McCarthy and McCarthy." That is the name that springs to their minds because they figure if you pay \$1,100 a day, these guys in the six-piece suits and with the beautiful grey hair are going to be able to solve the problem.

9 p.m.

Mr. Hodgson: Just like me.

Mr. Nixon: My friend needs a vest to qualify.

All these guys do is prepare marvellous briefs that are as convoluted and lacking in solutions as anything else; so the time limit for the appeal of the equalization factor—and we are establishing that time limit in this bill once again—has passed and the ministers say, "We will try to do something about this before next year." That has been happening since 1971, and there has been no rational solution.

The last time we tried was when we got good old Willis Blair, who was between jobs at the time, to head a committee to review assessment. He did a very good job. He was mayor of East York. He was educated by True Davidson; so he really knew about municipal affairs. He had good, sound roots in the Tory party. We thought, "This is one guy who is going to be able to come up with a solution and tell the ministers what to do."

He even came to see the Liberal caucus. We had the opportunity to give him the benefit of our understanding of this matter. I am not sure that he was better equipped to come to a solution when he walked out than when he came in, but we did our best. Even Willis Blair, now chairman of the Liquor Licence Board of Ontario and doing a very good job in many respects, came up with a report that the government simply could not act on.

My colleague the member for Waterloo North (Mr. Epp) has very properly said we intend to support the bill, because there is no rational alternative to supporting it. We have to have the assessment rolls legally established, because the

municipalities have to be able legally to levy their taxes for the coming year. Any party that suggests for a moment that the assessment rolls should not be properly established must surely have taken leave of its senses and is simply posing for a few New Democratic Party councillors back in Oshawa or something like that. There can be no alternative.

On the other hand, we believe this bill ought to go to the committee downstairs so that the citizens of Toronto and other municipalities that have some complaints can come in, but my colleague the Revenue critic for our side, who is concerned with assessment, has already given notice that he intends to move amendments at least to meet the problems the city of Toronto has brought to our attention.

It could be that the minister will accept those amendments, because obviously the point that is referred to is that the minister does not intend to send out assessment notices for assessments that have been neither appealed nor changed. He is talking about some footling saving of \$2 million—

Mr. Breaugh: Give or take a million.

Mr. Nixon: Well, \$3 million. Assessment is a serious problem in certain municipalities, particularly since it is still recovering from the chaos imposed on it by the minister's immediate predecessor, who was kicked unceremoniously out of his job and upstairs to the Ministry of Government Services. Surely the people in Toronto have an even graver concern than we are experiencing elsewhere.

It makes abundant good sense for us to support the bill in principle since it is necessary for these assessment rolls to be returned, even though this is the ninth time we have had to do it by special legislation. We do hope the minister will accept the amendment put forward by the member for Waterloo North so that the bill will be improved in that important but small particular.

Mr. McClellan: Mr. Speaker, I want to continue in the vein established by the member for Brant-Oxford-Norfolk when he talked about the folly this government has been engaged in since Darcy McKeough decided to bull ahead with market value assessment. Things had been relatively quiet until the member for Durham West (Mr. Ashe) became Minister of Revenue and decided to initiate a kind of blitzkrieg on Toronto to speed up the process of introducing market value assessment.

I am really trying to plead with the current Minister of Revenue (Mr. Gregory) for a degree

of sensitivity and understanding of the devastating effect of the imposition of market value assessment in certain communities and in certain parts of Toronto. For example, the area of Toronto I represent is a low-income, blue-collar neighbourhood in which market values have taken a fairly major jump in the past three or four years.

I hasten to remind the government that we are in the middle of a depression. There are thousands of people who are out of work. In my own community, where people work in the building trades, unemployment is between 30 and 40 per cent. In the midst of a very serious economic crisis, this government sends its storm troopers in to do mass reassessment based on what appears to be a quasi market value assessment. I will get back to that in a minute.

I am not sure whether the current minister realizes the extent of the reassessment that has taken place in 1982 and 1983. We had a debate in the Legislature six or seven months ago with his predecessor in which we tried to explain to him the damage being done by these large-scale reassessments. The minister argued that because there had been so much redevelopment and rehabilitation of housing in Toronto that had escaped the proper reassessment, there was justification for a mass reassessment. Special teams were sent in, first to the east end and then to the west end, to do this reassessment.

At that time, we discussed the curious fact that houses were being reassessed without anybody actually coming to the door, identifying themselves to the home owner and doing an inspection of the property. There was overwhelming evidence that these reassessments had taken place simply by people driving up and down the street and looking at which houses had been sandblasted, which houses had been repainted, which houses had new porches and which houses had certain cosmetic work done to the exterior, and major reassessments were imposed on the basis of these appearances.

We are not talking about one or two properties; we are talking about thousands of properties in Toronto in 1982 and 1983. In 1983, there were 4,510 properties in Toronto reassessed in this manner by these special squads of assessment storm troopers. I do not know how else to describe them.

I am sure the member for High Park-Swansea (Mr. Shymko) is living in keen anticipation of the westward spread of the assessment squads.

They have done ward 3 and ward 4. I assume they are now moving in on wards 1 and 2.

Mr. Shymko: With their marching boots.

Mr. McClellan: Yes, marching boots.

Last year in ward 4, a total of 801 properties were reassessed by these special assessment squads. The statistical analysis of who was reassessed is very interesting, and it raises some rather disturbing questions. The majority of the people who were reassessed were in Portuguese and Italian households. They were reassessed in numbers that were totally disproportionate to their percentage of the population.

9:10 p.m.

Only 50 per cent of the population in ward 4 is Italian and Portuguese, yet 78 per cent of the reassessments were done on Portuguese and Italian households. I think I know the reason for this. I do not think they were singled out because of their ethnicity. I think the reality is that Portuguese and Italian families are very meticulous about making improvements to the exteriors of their properties.

One of the first things an immigrant family does when it moves into a house if it is slightly run down is to paint it, replace the porch, replace the trim, replace the sidewalk and replace the landscaping, and it is immediately obvious because of these cosmetic changes that some work has taken place on the property.

What has happened again in ward 4 is that these assessment squads have simply driven up and down the street. They have not bothered to do proper reassessments; they have simply taken assessment decisions on the basis of cosmetic changes to the exterior of houses owned by Portuguese and Italian families.

That is what has happened in my community. I do not happen to think this is fair, and I do not happen to think it makes sense in the middle of a depression, in a community that has 30 to 40 per cent unemployment, for the government to be sending these assessment squads into the community—

Mr. Piché: You don't know what you are talking about. You haven't done your homework.

The Acting Speaker (Mr. Cousens): Order.

Mr. Piché: No, just a minute.

The Acting Speaker: No, no. The member for Bellwoods has the floor. The member for Cochrane North (Mr. Piché) will refrain from any comment. He will have an opportunity to participate in this debate at the appropriate

time. In the meantime, if the honourable member would be so kind.

Mr. Piché: Just a minute—

The Acting Speaker: Is this a point of order?

Mr. Piché: Yes, Mr. Speaker. The member from the basement party has not done his homework.

The Acting Speaker: The member from Cochrane North will please just listen. He will have his chance to participate. The member for Bellwoods will continue.

Mr. McClellan: As usual, the member lacks the courage to participate in debate and gets his kicks out of shouting down members of the opposition when they are trying to make a speech.

Interjections.

Mr. McClellan: I expect you to protect the rights of the members in the opposition, Mr. Speaker, and I am being hollered at by certain members.

The Acting Speaker: I am trying and I will continue to do so.

Mr. McClellan: I just make the point again. I fail to understand why the government has chosen the current recession to decide to send its reassessment squads into blue-collar neighbourhoods to undertake a program of reassessment: 801 properties in a community that is entirely made up of low-income blue-collar workers.

There are no affluent sections of ward 4 in Toronto. There are no pockets of affluence or high income. There are no professional groups. It is a blue-collar neighbourhood, an inner-city, downtown immigrant area. Why was it selected? Why would High Park-Swansea be selected? Why would Parkdale be selected for these kinds of reassessments? It makes absolutely no sense.

My first concern is that this government has escalated its campaign of imposing market value assessment on certain communities regardless of the kind of damage it is doing to communities and the kind of hardship it is imposing on people who, quite frankly, have enough problems to cope with in the middle of the current depression without having this extra burden put upon them.

The minister in his opening remarks referred to the fact that people will have, as usual again, the right of appeal and that the final appeal date will be January 10, 1984. That is well and good, but I have to tell the minister that there were literally thousands of people in Toronto last

year who received their reassessments and who did not understand the appeal process, did not understand that there was a deadline of early January to file notice of intent to appeal.

The minister's predecessor, the member for Durham West, refused to extend the final appeal date, despite the fact that there were tens of hundreds of people who had lost their opportunity to appeal because they were not literate in English. That is the simple explanation. English was the second language—

Hon. Mr. McCague: That's not so. You know better than that.

Mr. Piché: I can't accept that.

Mr. McClellan: Forty per cent of the people in my community are Portuguese immigrants. They do not have English-language skills.

Mr. Piché: Who prepared your speech? It's not factual.

Mr. McClellan: I hope at least the minister understands what I am trying to say without the interjections.

The Acting Speaker: The member for Cochrane North has been warned.

Mr. Martel: Turf him out.

The Acting Speaker: Order.

Mr. Martel: Don't call me to order, after listening to all that nonsense. I heard the screaming in my office; that is why I came up.

The Acting Speaker: Order.

Mr. McClellan: There were many people who lost their right of appeal because they did not understand the—

Interjection.

Mr. McClellan: Mr. Speaker, I do not intend to try to speak in this Legislature with that clown yowling and howling at me. Either we have order here or we might as well close the place down. It is ridiculous.

The Acting Speaker: I will ask the member for Cochrane North to please refrain from making any further contributions by interrupting or he will have to be exited.

Mr. Piché: You haven't got that right, and you won't even try.

Some hon. members: Oh, oh.

The Acting Speaker: Order. The member will withdraw that.

Mr. Piché: It is nice.

The Acting Speaker: No. That is not kidding. The member will stand and withdraw it.

Mr. Piché: Mr. Speaker, I would like to withdraw it because you are such a nice fellow.

The Acting Speaker: Thank you. Now we are beginning to understand each other. The member will now not make any more interruptions to the member for Bellwoods or I will have to—

Mr. Piché: I will not promise that.

The Acting Speaker: The next time he does, the member is going to have to be careful.

Mr. Piché: How come, Mr. Speaker, when they—

The Acting Speaker: The honourable member will resume his seat.

Interjection.

The Acting Speaker: Order. The member will resume his seat quickly.

Mr. Martel: Out.

The Acting Speaker: Sergeant at Arms, I have no choice.

Mr. Martel: Goodbye, René.

The Acting Speaker: The member is as close as he could be.

Mr. Martel: You just named him, Mr. Speaker.

The Acting Speaker: The member for Bellwoods can rest assured that if there are any further interruptions from the member for Cochrane North, there will not be any warnings.

Mr. McClellan: Thank you, Mr. Speaker. I am trying to remember where I was. I may have to start all over again, but I do not think that is necessary.

To recapitulate, there are large numbers of people who were unable to appeal their reassessments because of their failure to understand the provisions and requirements of the appeal process. Nevertheless, many people did appeal, first in 1982—

Interjection.

Mr. McClellan: I am not denying that. Many people did appeal in 1982. The vast majority of the people who appealed these reassessments from the special squad of blitzkrieg reassessors won their appeal and had their reassessments overturned. I think that spoke more eloquently than anything any of us could say about the fundamental injustice of that reassessment process.

In 1983, the reassessment took place and notices went out. People filed for appeal and they went to the Assessment Review Board. What happened? The amazing thing that happened was that the government changed the rules of the appeal process. It changed the rules

of the game in the interval between the time the people had received their assessment notices and the information about the appeal process and the time they appeared in court.

9:20 p.m.

You will recall, Mr. Speaker, that many municipalities hold workshops for citizens to inform them of their rights under our assessment legislation, of their rights before the appeal board and what the rules of the game are. The city of Toronto held these workshops in 1983. Many people attended them and proceeded to go to their hearings, only to discover the rules of the game had fundamentally changed.

I do not know whether the minister is aware of this. I believe a number of aldermen from Toronto have sent some information about this matter to the minister. I am referring to communication between the Minister of Revenue and Richard Gilbert, the alderman for ward 3 of the city of Toronto, Joe Pantalone, the alderman for ward 4, and David Reville, the alderman for ward 7. They wrote to the minister on September 21, bringing these concerns to his attention.

It is really important that the minister understands what has been going on. As if everything I have described up to this point is not bad enough, when people went to the Assessment Review Board they discovered the measure which had been used by assessors for the last couple of decades to justify assessments for the ARB had been changed at the hearings.

The minister is aware the familiar justification is the one of ratio of assessment to market value within a given neighbourhood, a clearly defined neighbourhood. If somebody feels he is being treated unfairly, what he has to do is show that the ratio of assessment to market value within his neighbourhood differs from the way his neighbours are treated. This is the litmus test of fairness before the Assessment Review Board. The criterion has always been the ratio of assessment to market value.

Lo and behold, the assessors in front of the Assessment Review Board this year were basing their arguments on an entirely new set of criteria which did not emerge, as far as anybody else knew, until the hearings were actually under way. People who had been to the workshops, who had been advised of their rights, who had read the literature put out by the Attorney General's office talking about the procedures and processes of the Assessment Review Board, all of a sudden discovered a new criterion,

something called "the assessment per square foot of gross building area".

Quite frankly, this is a new one for everybody. It is not mentioned in the literature that is put out by the Ministry of the Attorney General. It is not mentioned in literature that is put out by the Minister of Revenue. It was not available by way of information for people who were going into the workshops. It was simply sprung by the officials of the Ministry of Revenue in the Assessment Review Board hearings, a whole new set of rules, of criteria, which people had never experienced before. It should be no surprise to anybody. They were unable to give a proper defence. They changed the rules of the game.

Mr. Piché: You are talking in circles right now.

Mr. McClellan: Mr. Speaker, I hope you heard about the previous difficulties. Thank you.

If one changes the rules of the game in the middle of the game, everybody understands that is unfair. That is precisely what this ministry has done.

This is not the only problem home owners face this year, home owners who are part of the huge population that had these extraordinary reassessments. They also discovered that the traditional definition of neighbourhood and the information upon which that definition was based was being withheld as a matter of deliberate policy by officials of the regional assessment office.

You know as well as anybody else, Mr. Speaker, the only way you can defend yourself against what you feel to be an unjustified assessment at the assessment review board is to demonstrate that people in your "neighbourhood" are being treated differently from you, but you have to know what the boundaries of the neighbourhood are in order to make your defence and the regional assessment office refused to provide information to appellants as to what were the boundaries of their neighbourhood. How on earth are people supposed to have a fair day in court with this kind of a kangaroo system? It is absolutely preposterous.

Pamphlets from the Ministry of Revenue boast that the regional assessment office is there to provide all the information that one needs in order to have one's fair day in court. This is contrary to the facts and it is contrary to the experience of many hundreds of people in the city of Toronto this year. I do not understand why it is happening. I am quite confident that

this new minister will be able to take a fresh look at what has been happening in the city of Toronto and, quite frankly, put a stop to it, because it is grotesquely unfair.

Finally, there have been a whole bunch of procedural irregularities in the Assessment Review Board in 1983. I do not know why this is happening. It has not happened in the past, to my knowledge. My own experience with the review boards has been that they have been fair and impartial and really open to the citizen to have a day in court. For some reason, that was not only not true in 1983 but it was an absolutely grotesque and preposterous experience that people were subjected to.

Regional assessment officers were permitted to give evidence on more than one occasion without first taking an oath. Hearings were terminated before an appellant agent had finished presenting his case, on the grounds that the member of the board said he had heard enough already and did not want to hear any more. This is documented and the documentation is being provided to the Attorney General.

One board member told appellants that she tended to be more lenient with home owners who represented themselves. In other words, if an appellant made the mistake of exercising his right to attend the appeal board hearing with an agent acting on his behalf, he was penalized by members of the board who had a declared, stated bias against anybody who showed up with an agent.

I remind you, Mr. Speaker, that the Attorney General's pamphlets on processes and procedures before the ARB state that appellants are entitled to be represented by an agent. Why are members of the board then penalizing people for exercising this right? In one hearing, a board member stated that market value is not used to determine assessments. This is contrary to section 18 of the act, as the minister knows. One board member said that the ARB is not a court of law and is not bound by the Assessment Act. What is it? It sounds like a kangaroo court. It has not been in the past. What has happened this year? Why is this happening in the city of Toronto?

One board member said that assessment is determined by taking the factor for a degree of renovation and multiplying it by the gross building area. That is a new one, is it not, Mr. Speaker? I do not quite recall reading this in either the act or the regulations, or in the pamphlets of the Ministry of Revenue or the Ministry of the Attorney General. I do not

remember reading that assessment is determined by taking the factor for a degree of renovation and multiplying it by the gross building area. I always thought that assessment was based on the ratio of assessment to market value. Didn't you, Mr. Speaker?

I mean, what is this? What on earth is going on? Some board member complimented an appellant on the strength of his case, which involved details of a neighbouring property, and then denied the appeal, saying that the best way to remove the inequity would be to raise the neighbour's assessment next year.

9:30 p.m.

What on earth is going on in the Assessment Review Board in the city of Toronto? Are these people acting on ministry instructions, Mr. Speaker? I do not believe they are. I think what we have here is a bureaucracy that has run amok. We have people who are trying to implement a very foolish policy decision which started in 1982 with the blitzkrieg assessments in the east end and then was extended in 1983 to the west end.

The bureaucracy discovered the Assessment Review Board would not uphold its decisions under the regular rules of the game and the regular traditions of fair play that prevailed at Assessment Review Board hearings, so in 1983 they decided to change the rules of the game and to stack the deck against appellants before the Assessment Review Board.

If that is the way the government wants to play it, so be it, but I really do not think this is the minister's intention. Quite frankly, I do not think the minister is that kind of person. I think once these problems are pointed out to him and he has an opportunity to study the material that has been submitted to him by the city of Toronto, he will back off from the very foolish policy that his predecessor was too stubborn to abandon and will have a major reconsideration of this whole silly episode. At least I hope so. If the minister thinks he is doing the government any good with this kind of goon squad behaviour, then he has a different understanding of the art of politics than most of us on this side of the House.

Hon. Mr. Gregory: That is why we have 70 seats. We do have an understanding.

Mr. Speaker: Order. Back to the bill, please.

Hon. Mr. Gregory: A little different understanding from yours.

Mr. Speaker: Order.

Mr. McClellan: That sounded like a threat, Mr. Speaker. That sounded like a dire warning to the people of the city of Toronto that if this government had 80 seats the kind of jackboot behaviour we have seen in 1982-83 would be a mere peccadillo. Why don't you turn around—Mr. Speaker, I advise the minister to turn around and ask his colleague the member for High Park-Swansea (Mr. Shymko) what he thinks of the behaviour of his officials. I do not think he will get very many accolades. Or if he asked his colleague—

Mr. Speaker: If I may have your attention, I am sure you are doing it inadvertently, but you are referring questions to the Speaker and asking the Speaker to convey messages to the minister. I am sure it is being done inadvertently. I would ask the member to address his remarks to the bill and to the minister through the chair. Thank you very much.

Mr. McClellan: It is a totally rhetorical device, Mr. Speaker. I would not want to ask you to—

Mr. Shymko: The pitfalls of eloquence.

Mr. McClellan: Mr. Speaker, I apologize for any distress my remarks may have caused you. I had been put off balance by the gruesome behaviour of the member for Cochrane North (Mr. Piché).

Mr. Breaugh: And the way he retreated with his tail between his legs.

Mr. Di Santo: That is what René is, a coward.

Mr. Martel: It was disgusting to watch him capitulate.

Mr. Speaker: Order.

Mr. McClellan: Absolutely gruesome and disgusting behaviour. I have never seen anything like it in all my years in the House.

Mr. Speaker: Back to Bill 90, please.

Mr. McClellan: Just by way of conclusion, regardless of the partisan bantering that we get into, I hope the minister will understand there are serious problems about the way his ministry has pursued the imposition of market-value assessment in the city of Toronto and serious problems in the way the rules of the game in the Assessment Review Board have been changed.

I say to the minister with great respect, it is absolutely necessary for him to take a sober second look at this exercise. I think now is absolutely the wrong time; if ever there was a wrong time to abolish assessment notices to the citizenry, it is right now.

The minister has to understand what happens when these kinds of reassessments take place,

and the member for High Park-Swansea would be able to explain it to him. People get their assessment notices and immediately start to talk to each other about what is in them. People do comparisons on the street, on the block. That is the only way you have to defend yourself against increases in the order of 30, 40 and 50 per cent.

We are not talking about small increases; we are talking about increases of up to 50 per cent, where people are having their property taxes doubled. In many cases families who are out of work are having their property taxes doubled. The only way you can defend yourself is if you have the ability to go and talk to your neighbours about their assessments, make your own finger-in-the-wind comparisons and then take that into the Assessment Review Board.

If people do not have the information upon which their appeals have to be based, if their neighbours do not have information about their assessments, it becomes difficult in communities like mine for people to make appeals. People in my community by and large do not have agents to go with them, they have difficulty understanding what the procedures are, but they do understand that in the past when they have been treated differently from their neighbour who has a house of similar size they have grounds for an appeal before the Assessment Review Board.

This is a system that has been worked out over a long period of time. My colleague the member for Riverdale (Mr. Renwick) spoke in the debate we had six or seven months ago about the way the assessment system has developed in Toronto. It was not created with the stroke of a pen; it is a very delicate and complicated—

Mr. Piché: Bring it to an end.

Mr. Speaker: Order.

Mr. McClellan: It is not all that easy, believe it or not, to try to make an argument when people are shouting at you all evening. It really is very difficult and I happen to have lost my train of thought. If the member for Cochrane North wanted to prevent me from speaking, then he has done an effective job, because I have effectively lost my train of thought and I am unable to continue, sir. Thank you.

Mr. Philip: Mr. Speaker, I would like to make some preliminary remarks on section 2. Like my other colleagues who have spoken before me, I have some problems under section 2 that a property owner would be sent an assessment notice only if his assessment or some other

information on the notice had changed. This is designed, I understand and would imagine, as an economy measure and ads will be run informing property owners of their right of appeal. But instead of this cutback, which amounts to taxation without information, an assessment notice should be revised to be more understandable to the average citizen.

In the riding I represent, many people have English as a second language and it is quite confusing to them when they receive their assessment notices. Instead, I would suggest that the assessment notice should include current and last year's assessment and be sent to all property owners. Property owners will be denied their original right to be personally informed under this section of the bill.

9:40 p.m.

I would now like to address myself to the inequities in the present Assessment Act and the fact that the new amendment to the Assessment Act does not deal at all to correct the problem of unfair taxation to condominiums. In order to do this and to make it easier, I have spoken to the minister and I would like to report in a straight factual manner and without any editorial comment on some research I have had done for me on tax rates in the city of Etobicoke and the city of Toronto.

I am going to provide some 21 pages of tables I would like to use to the minister. It is the minister's understanding that, rather than my reading these 21 pages into the record, he would prefer the House give consent to simply having them tabled as an addendum to Hansard. This would reduce my speech from some six hours to about six minutes, and I am sure that would be in the interests of the House. I am going to send this to the minister.

Mr. Speaker: Do we have the consent of the House?

Agreed to.

Mr. Philip: I will also give these tables to Hansard.

First, as an overview, I would like to say that in 1975 the Assessment Act, now subsection 65(2), was amended to stipulate that in residential assessment of a condominium "the value at which such unit . . . shall be assessed shall be based on the same proportion of market value thereof as that at which the owner-occupied, single-family residences in the vicinity are assessed."

In practice, however, it is commonly recognized—

Mr. Speaker: Order. The minister on a point of order.

Hon. Mr. Gregory: Mr. Speaker, I understood from the member for Etobicoke that I would get one copy of those tables. Is that correct?

Mr. Philip: Yes. I supplied those to him.

Hon. Mr. Gregory: I think they both went to Hansard.

Mr. Philip: I am sorry. Did the minister not receive them?

Hon. Mr. Gregory: No. My understanding is that the member had said I would get a copy.

Mr. Philip: I sent one over with the page. I sent another one to Hansard.

Hon. Mr. Gregory: I think the page took both of them to Hansard.

Mr. Philip: Can we correct that?

Mr. Speaker: Order, please. Just one second until we determine what is going on here. Has Hansard got both copies?

Mr. Conway: I think we should start again with prayers.

Mr. Speaker: We will at two o'clock on Thursday.

The member for Waterloo North with a point of order.

Mr. Epp: Mr. Speaker, I understand the member for Etobicoke has some tables he is desirous of distributing. Before we search for unanimous support on this, I think we should have a copy of that so we would know what we are talking about. I presume he has sent a copy over to us, or what is going on?

Mr. Speaker: Order, please. I asked for the consent of the House when the honourable member requested that we append certain information to the statements he was going to make. I did not hear any objection. Apparently, there was some kind of an undertaking between the minister and the member for Etobicoke. I do not know of any such undertaking with anybody else.

Mr. Philip: If it would help the Liberal Party or the Liberal critic, I would be quite pleased to provide them to him. Perhaps a page would get the copy I have provided for Hansard, because they will have them later, and simply make an extra copy.

Mr. Nixon: Mr. Speaker, on a point of order: This would certainly be the first time Hansard has ever admitted material that was not actually spoken. Maybe we ought to give it consider-

ation. As you know, sir, other Houses, such as in the case of the Congressional Record, allow whole speeches to go in. I am sure there are occasions here when that sort of practice would spare a lot of difficulty, but I do not think we should embark on it. If the honourable member wants to include some statistics or conclusions drawn from statistics, why does he not do so in his speech?

Mr. Martel: Mr. Speaker, on a point of order: When my colleague rose in his place, he asked precisely whether or not the House was prepared to give him consent. You put the question, asked for consent and there was no disagreement whatsoever. The member should have risen in his place and, rather than agreeing, he should have questioned it at the time, not five minutes after the discussion has started.

The member gave consent when the Speaker called for it, or he did not voice his objection to it, and now, some five minutes later, the member is voicing an objection. Surely the member should have been on the ball and objected at the time the question was raised and responded in the negative then, not five minutes into my colleague's speech, when, after all, the member accepted what he was requesting.

Hon. Mr. Gregory: If it would expedite the business of the House, and with the permission of the critic, I would be delighted to send this over to our caucus office, have it reproduced and send him a copy. I have seen it and there is nothing in it of a rhetorical nature. I think that might get us on with the business of the House.

Mr. Speaker: The point of the matter was that consent was asked for and, in my humble opinion, was given. I did not hear any dissenting voices.

Mr. Breaugh: Are there dissenting voices now?

Mr. Epp: This is a precedent.

Mr. Speaker: No, with all respect, it is not a precedent. I am advised this has been done before.

Mr. Philip: Mr. Speaker, as I was saying, in—

Mr. Epp: Mr. Speaker, on a point of order: I understood this to be a precedent. You said it is not a precedent. I wonder whether you would take the liberty of having this referred to the procedural affairs committee so that they can deal with it at a time and place that would be mutually convenient for all three parties to make representations on it.

This is a new procedure for a number of

people in this House. The procedural affairs committee members should be the ones to look at this matter and give some guidance, probably to yourself, with respect to adopting this as one of the procedures of the House. From time to time they deal with these matters, and it would be an opportune time to have this more fairly discussed.

Mr. Speaker: I cannot give you any details, but I have been advised that it has been done before. It is not a precedent-setting procedure. If the procedural affairs committee wishes to take it under advisement, there is nothing to stop them doing so. I did ask for unanimous consent, and that consent, in my opinion, was given. Now I call on the member for Etobicoke.

Mr. Philip: I am pleased—

Mr. Kennedy: Mr. Speaker, on a point of order, I want to ask for clarification: will those statistics appear in Hansard?

Mr. Speaker: Yes. That is what the House agreed to, that they would be appended to Hansard.

Mr. Philip: I appreciate the unanimous consent I have obtained. This will shorten my speech by some five hours and 46 minutes. I have lost my train of thought, so I will start at the beginning.

In 1975 the Assessment Act, now section 65(2), was amended to stipulate that in the residential assessment of a condominium "the value at which such unit shall be assessed shall be based on the same proportion of the market value thereof as that which owner-occupied, single-family residences in the vicinity are assessed." In practice, however, it is commonly recognized that because of historical inequities and biases in the setting of assessments, severe inequities currently exist among residential assessments within Metropolitan Toronto.

The city of Toronto's Final Report of the Joint Committee on Property Tax Reform in 1982 documented the inequities of the current assessment system. It said: "Although based in principle on market values, the present system of assessments has not been systematically updated since 1949. Furthermore, it does not even reflect the 1940 values used as the original valuation basis in a consistent manner because of the many adjustments made by assessors in accordance with assessment manuals." That statement is found on page 12.

9:50 p.m.

As an approach to rectifying this situation, the Assessment Act, section 63, allows for

comprehensive reassessment of all properties to be conducted with the consent of the affected municipalities. The Ministry of Revenue has carried out a study on what the tax impact of a section 63 reassessment would be in Metropolitan Toronto. However, because of the political sensitivity of this issue and the apparent absence of consensus among various municipalities and various politicians at both municipal and provincial levels, the reassessment issue appears dormant at the present time.

The section 63 process, if adopted, would also allow municipalities to request that assessments be systematically adjusted to market value every four years. We admit, and my colleagues and I have gone on at some length to show it, that even were we to go the section 63 route, there would be great inequities without other changes to accompany it.

With regard to condominium and single-family assessments, I contend condominiums are unfairly assessed in relation to single-family homes. A contributing factor is probably associated with the volatile nature of the residential real estate market since 1980. Condominiums, in general, as compared to single-family homes, have probably lost value or appreciated more slowly than single-family dwellings. In addition, assessment experts admit that new construction, such as most condominiums are, is assessed at higher levels compared to older buildings. Since there has been no systematic residential reassessment in Metropolitan Toronto, I contend that condominiums have been unfairly assessed in comparison to single family homes.

Several recent Assessment Review Board and Ontario Municipal Board decisions have reduced condominium assessments in Toronto and Markham in relation to single-family assessments in the vicinity. Other similar cases, however, are currently under appeal before the courts. It would, therefore, appear to me that in addition to the remedies available through the assessment appeal process, there is currently no systematic approach being used to rectify the condominium/single-family inequities that may exist.

Even if an annual adjustment of assessment was made in such a review, unless improvements and selling prices were mechanically monitored, it would likely be a laborious process. In addition, the recent volatile market in real estate prices, often closely tied to interest rates, would probably never completely eliminate inequities in assessment among similar properties. Actual selling prices may also be a

reflection of the purchaser's individual personal preferences and tastes, which would not necessarily have a bearing on the determination of the value for assessment purposes.

Even though the basic principle of property taxes is that they should be related to the market value, property owners would probably strongly resent a more direct adjustment of their taxes in relation to market value shifts or improvements. We admit these problems. But if annual property taxes were more directly related to values along the income tax model, an expanded enforcement bureaucracy would likely be required to police the system. Under such a system, people may be strongly tempted to disguise the true selling price of their properties.

We recognize these problems, but at the same time I think it is important that the minister and the rest of the House understand exactly what has happened in the ratio of condominiums to other forms of housing.

In an attempt to compare the assessment of market-value ratios of condominiums and single-family dwellings in the city of Toronto, I have placed before you tables A and B. These data are based upon a sample of luxury condominium units and single-family residences in prestigious neighbourhoods in the city of Toronto where sales occurred between 1980 and 1982.

These data demonstrate that condominiums on the average in the city of Toronto are assessed on an assessment to sales percentage of 5.9, while single family residences are assessed on an average of 3.9 per cent. This pattern would, therefore, appear to indicate that condominiums in general pay higher property taxes than single-family residences of similar value.

It would now be appropriate, having tabled with members the various tables, to mention the buildings we looked at. They were 33 Harbour Square, which is Toronto waterfront; 55 and 65 Harbour Square, which again is Toronto waterfront; 101 Bloor Street West; 1166 Bay Street; 61 St. Clair Avenue West and 63 St. Clair Avenue West.

The data in those tables were obtained from the computer data base of the city of Toronto planning and development departments, the city assessment roll and the Teela report—Toronto Annual 1981-82. Teela realty sales review reports were also consulted in the comparison of these tables.

In Table B we deal with the Crescent Road area in Rosedale; Elm Avenue in Rosedale; Ardwood Gate, the Casa Loma condominium; Warren Road in Forest Hill; Forest Hill Road,

which again is Forest Hill; Dunvegan Road in Forest Hill; and Dawlish in Lawrence Park. I have also tabled certain footnotes to table B, which will be included for reading in Hansard.

Again, the data in this table were obtained from the computer data base of the city of Toronto planning and development department, the city assessment rolls and the Teela report—Toronto Annual 1981-82. Teela realty sales reviews were also consulted as in the previous table in compilation of these tables.

The pattern that exists in Toronto, where we are dealing primarily with luxury condos, also held true, and even more so, when we looked at the city of Etobicoke. In that city we did a study of various economic levels of condominiums as we can see from the tables I have placed before members.

The attached tabular data which Hansard now has, tables A, B1 and B2, appear to demonstrate the assessment to sales ratios for condominiums as compared to single-family dwellings in Etobicoke in general is higher. For 1982 the overall average single-family and duplex assessment to sales ratio was 5.46 with a neighbourhood range of 4.27 to 6.55 in table A.

For high-rise condo projects in Etobicoke, the range was 4.38 to 7.88. For town house condo projects, the range was 4.79 to 9.35. On this basis, condominiums of comparable value to single-family units are more likely to be paying higher property taxes.

That was another interesting finding in the study I did. It was a finding I did not expect. It was a hypothesis that might happen and, in fact, it turned out to be true, namely, that not only does the present tax assessment discriminate against condominiums in general as compared to single-family dwellings but also medium-income families living in mid-priced condominiums are discriminated against when compared with those living in luxury condominiums.

10 p.m.

Since the 1975 base year, when, in accordance with subsection 65(2) of the Assessment Act, the assessment-to-sales ratio was set at nine per cent for both condos and singles, market shifts in the values of condominiums appear to have distorted this balance. Condominiums in Etobicoke and in particular projects have shown substantial year-to-year shifts in value. However, except through assessment appeals there has been no municipality-wide adjustment in condominium assessment. As indicated earlier, assessments across Metropolitan Toronto have been associated with the sensitive issue of

comprehensive reassessment under section 63 of the Assessment Act.

In addition, the condo project sample data in tables B.1 and B.2, which I have tabled, appear to demonstrate that the lower and medium-priced condominium projects, such as 320 Dixon Road, which is a low-priced high-rise condominium with an average 1982 A/S ratio of 6.76; 714 and 716 The West Mall, which is a medium-priced high-rise condominium with an average 1982 A/S ratio of 7.5; 733 Tealham Drive, which is a medium-priced town house condominium with an average 1982 A/S ratio of 7.46; 6432-6466—

Mr. Piché: Get down to the facts, because I don't understand what you said.

Mr. Philip: I am trying to give the facts. I know my friend does not have any condominiums in his riding, but he might be interested. The minister is interested.

Mr. Piché: What you need is an adding machine.

The Deputy Speaker: Order.

Mr. Philip: The minister has shown some interest, and I think he is trying to listen.

Mr. Piché: Talk about the Dash-7 and the Dash-8 and you will know what you are talking about.

Mr. Philip: If the member does not want to listen to me, at least he should listen to the minister. He is telling him to shut up.

Interjections.

The Deputy Speaker: Order. Member for Cochrane North, I remind you that unless you are quiet, you will have to leave.

Mr. Piché: On a point of order, Mr. Speaker: How come when a member on this side raises a couple of questions we have to leave? What about the other side, the Liberals and the New Democratic Party? They never have to leave.

Mr. Eakins: Throw him out.

Mr. Nixon: Bring back Cousens.

The Deputy Speaker: Order.

Mr. Piché: Every time I raise something, or members on this side do, we have to leave. You have never said that they have to leave.

The Deputy Speaker: Order. Would the member please take his seat. I am sorry; this is the last caution.

Mr. Piché: I have to take strong exception to that, Mr. Speaker.

The Deputy Speaker: Fine. You have done that. Would you please take your seat.

Mr. Philip: Mr. Speaker, a considerable amount of work has gone into—

Mr. J. M. Johnson: On a point of order, Mr. Speaker: The member for Etobicoke requested that the House accept a part of his speech as being deemed to have been read into the record. I was wondering whether for the sake of expediency we could deem the rest of his speech to have been read into the record.

The Deputy Speaker: That is not a point of order. Would the member for Etobicoke continue.

Mr. Philip: Mr. Speaker, on the point of order: I think it is too bad. If certain members realized the amount of work that went into preparing what I think is a rather valuable research document that documents the injustice of the Assessment Act towards condominium owners, and if certain Liberals and Conservatives then want to take it lightly, then frankly I say they are not insulting me and the amount of work I have done on this research; they are insulting condominium owners in this province.

Mr. Epp: Mr. Speaker, on the point of order: Let us be fair about the whole thing. He asked to have this in the record if he got unanimous consent and he would speak for six minutes, or, as an alternative, he was going to take six hours to do it.

Mr. Di Santo: No, no.

Mr. Epp: That is exactly what he said and that is in Hansard.

To come back afterwards and say that we are being unfair to the condominium owners is a travesty of justice, because he is not being fair to the Legislature. I suggest that he withdraw that, because he is not being honest with the members of this Legislature.

The Deputy Speaker: I would say to the member for Waterloo North that—

Interjections.

The Deputy Speaker: Order. I say to all members, there has been enough discussion and debate about this previously, as it was dealt with from the chair.

Regarding the comments from the member for Waterloo North, until you know whether the member for Etobicoke was including or duplicating things that he asked permission to avoid by having them included in Hansard, I think we had best continue to hear his contribution to the debate.

Mr. Philip: Mr. Speaker, I am pleased that the minister is paying attention and is not part of these rude interruptions.

As I was saying, 733 Tealham Drive, a medium-range town house condominium had an average 1982 A/S ratio of 7.46; 6432-6466 Finch Avenue West, which is a lower-mid-range town house condominium with an average 1982 A/S ratio of 7.36 had a higher A/S ratio than for selected complexes. Palace Pier, a luxury condominium at 2045 Lakeshore Boulevard West, had a 1982 A/S ratio of 5.13; 71-73 Old Mill Road, another luxury building, had a 1982 A/S ratio of 5.63; and 1387-1399 Royal York Road, a luxury condominium complex, had a 1982 A/S ratio of 5.25.

These statistics, in addition to the apparent condominium single family inequity, appear to demonstrate that there are inequities among various types of condominiums. Some luxury projects are less heavily assessed than some moderately priced projects and may, therefore, be regarded as paying less than their fair property tax load, in comparison.

The reason for these condominium-to-condominium inequities appears to be that assessments, except on appeal, have been frozen while some condominiums have appreciated or depreciated in sales value since their assessments were initially established, and the A/S ratios have changed accordingly.

I suggest to the minister that one possible remedy to the condominium assessment inequities, which I have just discussed and which I have documented with ample pages of tables and research that I do not think he would dispute, might be to amend the Assessment Act to allow a systematic adjustment to condominium assessments, presumably with the consent of the local municipality, back to the standardized base year, or adjusted each year, or possibly for a certain base year, for example 1980, and the readjustment at set, four- to five-year intervals.

A systematic readjustment formula would ensure that high assessments are reduced and low assessments are increased. With the present appeal system, it is most likely that only high assessments are appealed which, if successful, adversely affect on a random basis a municipality's budgeting process. A systematic readjustment of condominiums would also add equity to a property tax assessment based on market value.

Some nominal variation in the assessment-to-sale ratios might even be accepted, but differences above a certain amount would be adjusted. Each regional assessment office receives data on building permits and affidavits of property sales so that an annual tracking of individ-

ual and overall market value trends and the A/S ratios should be feasible. Again, I have tabled these various tables with notes.

10:10 p.m.

I appeal once again to the minister. We have a very serious problem in that condominiums are being overtaxed and overassessed. I have traced the historical reasons for this. In the research I have tabled with the House, I have clearly indicated not only that condominiums are overassessed but also that within condominiums, those that are moderately priced and occupied by moderate-income families are being assessed more severely than those in the luxury class and presumably, therefore, occupied by more affluent members of society.

Having presented these facts in a nonprovocative way and having presented them purely as research findings, which I have been able to obtain with considerable labour and considerable effort, I hope the minister will have his researchers and various people look at the problems I have posed. I certainly want to thank those people who have put considerable time and effort into collecting the data and into testing the theories that many of us who have been involved with the Canadian Condominium Institute and with various other bodies in the condominium field have always hypothesized but that we have never known for certain.

We had hoped that before this bill came out, and indeed before the third annual convention of the Canadian Condominium Association, we would also have been able to do Ottawa. Unfortunately, time did not permit. I suggest to the minister that he can use the same research procedures I have used. From some preliminary explorations we have done in Ottawa, I suggest the pattern will hold true in that city. Since he has more staff than I have at my disposal, I hope he will consider doing Ottawa or some other city as well.

I hope my findings will be of assistance to the minister. Perhaps after he and his staff have had an opportunity to examine them, he might like to comment either during the debate on this bill or to me by letter within the next couple of weeks.

Thank you, Mr. Speaker, and I thank you for the unanimous consent of the House to table what I think is an important research project.

The Deputy Speaker: The member for Sudbury East.

Mr. Piché: Make it short, Elie.

Mr. Martel: Why does my friend not speak and I will rest for a while? If he does not want to, then I will speak and he can rest. One of us should speak—

The Deputy Speaker: Order. The member for Sudbury East will please direct himself to the debate.

Mr. Martel: Mr. Speaker, I will defer to the member for Cochrane North, should he want to speak.

It is interesting—I make my comments to the minister—that during the summer months six residents of a township I represent came to my office and brought me some assessment sheets they had from the school system. They tried to figure them out, and they went to one of the local assessment officers from the ministry, who suggested that rather than him explaining, they should come and see me and I would explain.

I should preface my remarks, by the way, Mr. Speaker, by asking whether you recall John Robarts in 1967. He was ticking them off: market value assessment—done; all these things—done; and that was in 1967. If any of the members should go to Carman's, they will see a picture of John checking them off. Here we are in 1983 and that "done" seems to be undone. We have had 16 years at least of modification, improvement, market-value assessment, and there is a mess out there.

These residents came to me after the ministry official suggested they come to see me instead of him trying to explain the situation. Let me explain it very briefly. They live in a township called Hendrie township. The very next township is Burwash township. The taxes in Hendrie—they are not paid; let me be clear about it—are three to four times more per household for educational tax based on the type of assessment that is there than in Burwash. It is three to four times for each house.

I wrote to the new minister. I thought he would be interested in this. I know how aggressively he pursued matters when he was the whip and the acting government House leader. I thought we would give him an opportunity on this first occasion to get with it and clear this up after all these many years. I wrote him a lengthy letter and at the same time I wrote to the school board.

I asked, could he tell the residents what these forms mean? I must say, I asked the member for Hamilton Mountain (Mr. Charlton) tonight to explain it to me, because he has some experience. I do not know how residents are supposed to understand the sheet; so I asked whether the

minister or some of his staff would explain it to me.

Let me give a few examples. In Allen township, the residential assessment is \$78,000, non-residents \$14,000, the levy is four and the mill rate is 52 and 61. One goes to the next township down and one gets mill rates that are six mills. One goes down to the next one and it is 80 mills. We are supposed to explain the logic behind this government's assessment when it does that.

The minister did not tell me what it was all about. He did not explain it, nor did any of his staff. They gave me some gobbledygook. The first answer I got was from the school board when I put the same proposition to it.

This is what the school board said: "Thank you for your letter dated August 15. We are aware that the present apportionment system under which we must distribute our levy does result in some inequities." "Some" is understating it; it is three to four times as much. "This is presently under review by the province"—not by the board—

The Deputy Speaker: Excuse me for a moment, if I may. There is a level of discussion taking place. May we have a little order, please. The minister is having difficulty hearing the member for Sudbury East.

Mr. Martel: Mr. Speaker, thank you for your assistance.

"This is presently under review by the province." There is no explanation by the way of what their sheet means so I can tell my constituents what it is all about, none from the minister and none from the school board.

The school board goes on: "We are also examining the feasibility of having a reassessment of all unorganized areas under the jurisdiction of the board in order to put all assessments on the same basis."

That is a nice-sounding letter, but I asked the board, as I asked the minister, to explain for me what the sheets meant and when we were going to get to a type of assessment that would get rid of this inequity where people in one township are paying \$75 and if one just goes across the township line they are paying \$350.

I am still waiting. I got an interesting letter today from the Minister of Education (Miss Stephenson), because the Minister of Revenue sent it on to the Minister of Education. She said: "I note that you are aware there cannot be identical or similar mill rates where assessment bases vary widely from one municipality to another. For example, the information that the ministry has used since assessment was frozen in

1970"—they are going to study it. It was frozen in 1970. The inequity has been there all these years and when one writes 13 years later, they are going to study it. Magnificent.

Let me go on: "For example, the information the ministry has used since assessment was frozen in 1970 indicates that the basis of assessment in Hendrie township differs from that in Burwash by just under 14 times." Try to tell residents how that comes about, how people who built a home, one across from the other and they happen to be in different townships, roughly the same size—

Interjections.

10:20 p.m.

Mr. Martel: I am speaking on behalf of the member for Cochrane North. This is about northern Ontario and the unorganized townships, and he has many of them.

There is an assessment that is 14 times greater in one township than another. I do not know much about tax, but I know that if it is 14 times greater when trying to equalize it there will be a different mill rate. Trying to tell residents why it is that despite all of that they are paying four and five times as much as their neighbour across the road for a similar type of house does not work.

The ministry staff suggest these people come to them to review it. The board of education refuses to put anything in writing except to say, "It is being reviewed by the province." The Minister of Education says, "Yes, in Hendrie township compared to Burwash township, it is 14 times greater;" and then she goes on to say, "On the matter of using data more current than 1970, the advisory committee on financing elementary and secondary education has been given the task of developing and examining proposals for alternative methods of funding education."

I try to get the minister's attention. Where does that leave me? The minister has not told me what the sheet means. He has not told me how he is going to make it more equal. It should not be three or four times as much. The Sudbury Board of Education chooses not to explain any of it so that I can tell the people who pay taxes towards that board just what the hell all of this junk means. The Minister of Education tells me the difference between one township and another is 14 times greater, and I am supposed to somehow write my constituents, the six who have approached me with respect to their problems, and give them some type of answer.

Does the minister know what the problem is?

The government does not even understand it. It is ad hockery at its best. The government has been going to change it. I recall during the 1967 election that one of John Robarts's promises was that we were going to have market-value assessment in this province and it was going to be great. Here we are in 1983 with a couple of Mickey Mouse amendments and the problem does not go away.

We ask for explanations. All of the experts do not even try to answer the problem. Everybody blames everyone else. For the people we are trying to assist, to give them some idea of why their taxes are four or five times as much as their neighbour across the road, we cannot even get the information out of the government in order to provide answers to the people we represent.

It is an indication of what a sad and sorry mess we have. I am not sure what it is, although I have some idea, that prevents this government from getting serious about these problems. Of two houses of equal size in the area I am talking about, one pays \$385 in taxes. They do not have roads. One guy has this type of assessment. He lives on an island. He has no lights, no road; he gets to his home by boat. He has a tax of \$365. His neighbour, who lives on land but in another township, pays \$78 tax. Tell him, and perhaps the minister could tell me in the process, why it is that this is allowed to continue.

I see the Minister of Consumer and Commercial Relations (Mr. Elgie) trying to help the minister, and he certainly needs help. I am not criticizing the minister's capacity, but I am referring to the mess he has to clean up. I have to make the point that the minister has an awful mess to clean up. Surely, the government has to get serious about cleaning up that mess because there is simply no equality in those unorganized townships across northern Ontario. There is a different assessment for each township. There are none the same; absolutely none. It is just a hotchpotch.

Before this debate is finished, I would like to hear from this minister just what it is he intends to do, first, to answer my queries in this letter so I can write to these people in the way I phrased it and not some innocuous answer that avoids the issue in telling me it is the school board, because they do not tell me either; second, I want the minister to clean up the hotchpotch. When he attempts to do that, of course, he is going to have to bring in some new legislation.

I want to see if this minister is going to bring in the type of legislation which is going to make it

more equitable to those people paying taxes in this province.

Mr. Charlton: Mr. Speaker, there have been a number of questions raised tonight. One is why the member for Oshawa (Mr. Breaugh), when he rose to speak to this bill, announced that he would be opposing the bill.

I think the speeches that have been made this evening by my colleagues and the problems that have been set out and the perceptions, both by the public and by members of this Legislature, clearly show why we are opposing this bill. We are opposing it not so much because there are some specific aspects of the bill which we are not happy with; we are opposing it more because of the inaction it represents than its specific content.

I noticed earlier this evening, although I think he has left now, that the former Minister of Revenue twice removed, Mr. Lorne Maeck, was in the members' gallery. I would just like to say that while that good gentleman was the minister—and I do not want these comments to reflect on the new minister; we are prepared to give him a chance to perform in his role—while the Honourable Lorne Maeck was the Minister of Revenue we had some reasonable dialogue going on between the opposition parties and the government on the question of property taxation in Ontario. Some reasonable dialogue and some useful changes took place in consultation as opposed to political confrontation in this House.

I cannot say the same for the immediate predecessor to the present minister, the member for Durham West (Mr. Ashe), who was not

quite so helpful or so receptive in sitting down and helping to work out some of these problems that face taxpayers across this province.

I think it is very apparent from the speeches that have been made here tonight, both by my colleagues in the Liberal Party and by the numbers of my colleagues from the New Democratic Party who have spoken, that the major problem that confronts us with this bill is the fact that we are still tinkering with a system that needs a total package of reform, not only for assessment but the whole realm of property taxation and municipal finance in this province.

A number of my colleagues have mentioned it is now 15, 16, or 17 years—it is actually 16 years—since the discussions on property tax reform in this province began and we are very little further ahead than we were 16 years ago.

The province's program under the Assessment Act, a program which is referred to very clearly in this bill we have before us here tonight in section 4 of the bill, the program under section 63 of the act, the equalization program, is a program which, as an equalization program will deal with—

Mr. Speaker: I direct the honourable member's attention to the clock.

Mr. Charlton: Yes, Mr. Speaker, I noticed the time has reached 10:30 and, if I might, I will adjourn the debate. I would like to resume my comments when next we deal with this bill.

On motion by Mr. Charlton, the debate was adjourned.

The House adjourned at 10:30 p.m.

APPENDIX

ASSESSMENT AMENDMENT ACT

Publication of the following tables was requested by the member for Etobicoke (Mr. Philip).

Address (Street Number)	Date of Construction (Recent renovations if recorded)	Assessed Value (1982 for 1983 tax year) \$	Most Recent Selling price (Year of Sale) \$	Assessment-to- Sale Price Percentage
* = newer buildings or those with major renovations				
DAWLISH (LAWRENCE PARK)				
80	1929 —some renovations	14,207 (10,825 in 1981)	250,000(1981)	5.6
105	1919 —old renovations	11,025	320,000(1982)	3.4
167	1919 —old renovations	10,464 (8,400 in 1981)	287,500(1982)	3.6
4	*1929 —renovations	17,280 (9,118 in 1981)	225,000(1981) ^a	7.6
56	1919 —old renovations	14,256 (10,400 in 1981)	484,500(1981)	2.9
80	*1929 —renovations	14,207 (10,825 in 1981)	428,300(1981)	3.3
184	*1929 —renovations	9,225 (no change)	315,000(1981)	2.9
				Average 4.2

^aThis selling price appears to reflect the pre-renovation value of this property; the actual current assessment-to-sale percentage should actually be lower.

Overall Average Assessment-to-Sale percentage for newer construction or properties with major renovations (20 properties): 4.5.

NOTES:

^aTo gain a representative sample for each building, units which sold were selected on the lower level, the middle, and upper levels of each building.

DUNVEGAN ROAD (FOREST HILL) cont'd				
211	1929 —minor renovations	17,550	400,000(1982)	4.4
227	*N/A —renovations	14,150 (no change)	295,000(1982)	4.8
35	1919 —minor renovations	11,925	449,500(1981)	2.6
49	*1909 —renovations	13,100 (no change)	564,600(1981)	2.3
100	1909 —minor renovations	17,725	475,000(1981)	3.7
120	*N/A —major renovations	71,675	650,000(1981)	11.0

Address (Street Number)	Date of Construction (Recent renovations if recorded)	Assessed Value (1982 for 1983 tax year) \$	Most Recent Selling price (Year of Sale) \$	Assessment-to Sale Price Percentage
* = newer buildings or those with major renovations				
139	N/A —minor renovations	24,000	700,000(1981)	3.4
141	*N/A —renovations	17,575	480,000(1981)	3.6
152	1909 —minor renovations	17,250	500,000(1981)	3.4
153	1951	15,350 (14,500 in 1981)	584,500(1981)	2.6
169	*N/A —renovations	20,700	684,500(1981)	3.0
210	N/A —minor renovations	16,100	475,000(*1981)	3.0
				Average 3.9

FOREST HILL ROAD (FOREST HILL) cont'd

2	*1956	13,775	250,000(1980)	5.5
62	1919 —minor improvements	17,800	410,000(1981)	4.3
87	1919	19,950	580,000(1981)	3.4
140	1929 —minor improvements	24,425	725,000(1981)	3.3
176	1929	10,500	340,000(1981)	3.0
221	*Renovated	14,425	520,000(1981)	2.7
224	N/A	16,050	425,000(1980)	3.7
232	N/A —some improvements	16,550	340,000(1980)	4.8
225	N/A —minor renovations	20,000	480,000(1981)	4.1
301	*major renovations	16,100 (no change)	350,000(1980)	4.6

Average 3.9

DUNVEGAN ROAD (FOREST HILL)

28	*1919 —renovations	21,625 (no change)	400,000(1982)	5.4
143	*1972	31,800 (34,010)	1,000,000(1982)	3.1
150	1909 —minor renovations	16,225	650,000(1982)	2.5

Address (Street Number)	Date of Construction (Recent renovations if recorded)	Assessed Value (1982 for 1983 tax year) \$	Most Recent Selling price (Year of Sale) \$	Assessment-to Sale Price Percentage
* = newer buildings or those with major renovations				

WARREN ROAD (FOREST HILL) cont'd

48	1909	18,500	393,500(1980)	4.7
72	1919	17,775	525,000(1981)	3.8
106	1919	23,400	610,000(1981)	3.8
262	N/A	21,650	650,000(1981)	3.3

— minor renovations

Average 4.1

FOREST HILL ROAD (FOREST HILL)

70	1909	15,887	364,200(1981)	4.3
	— minor renovations			
66	1909	12,906	350,000(1982)	3.6
	— some improvements			
170	N/A	23,500	585,000(1981)	4.0
	— some improvements			
188	N/A	11,825	310,000(1982)	3.8
	— minor improvements			
215	N/A	14,355	413,000(1981)	3.4
	— some improvements (12,950 in 1981)			
230	N/A	15,650	414,950(1982)	3.7
	— minor improvements			
249	N/A	19,800	412,000(1982)	4.8

ELM AVENUE (ROSEDALE) cont'd

87	*1980	19,200 (24,900 in 1981)	400,000(1980)	4.8
88	*1929	29,800 (27,005 in 1981)	950,000(1982)	3.1
	— renovated			

Average 3.4

ARDWOLD GATE (CASA LOMA)

58	N/A	24,752	530,000(1982)	4.6
70	1939	26,150	675,000(1981)	3.8
97	1945	25,175	557,000(1982)	4.5
	— addition			
101	*1982	40,000	737,500(1981)	5.4

Average 4.5

WARREN ROAD (FOREST HILL)

15	1909	13,500	265,000(1982)	5.1
	— renovations			
146	1919	32,325	825,500(1982)	3.8
	— renovations			

Address (Street Number)	Date of Construction (Recent renovations if recorded) * = newer buildings or those with major renovations	Assessed Value (1982 for 1983 tax year) \$	Most Recent Selling price (Year of Sale) \$	Assessment-to Sale Price Percentage
249	N/A	29,400	1,020,000(1982)	2.8
17	—renovations			
17	1909	20,625	33,400(1981)	6.2
	—renovations			
37	1919	14,635	385,000(1981)	3.8
CRESCENT ROAD (ROSEDALE)				
22	*1981	24,000	515,000(1981)	4.6
24	*1981	21,000	495,000(1981)	4.2
27	1900(approx.)	5,000	280,000(1981)	1.7
33	*1980	21,125	649,500(1981)	3.2
70	1929	8,500	320,000(1982)	2.6
78	1909	20,355	850,000(1981)	2.4
83	1909	13,223	370,000(1980)	3.5
	—renovated	(12,250 in 1981)		
112	1909	9,900	384,750(1981)	2.6
	—renovated	(9,400 in 1981)		
119	pre—1920	13,583	315,000(1981)	4.3
143	1909	13,558	228,800(1981)	4.6
	—renovated	(9,125 in 1981)		
185	1909	17,845	415,000(1981)	4.3
	—renovated	(11,918 in 1981)		
				Average 3.4
ELM AVENUE (ROSEDALE)				
53	1879	20,080	665,000(1981)	3.0
	—minor renovations			
55	1879	18,880	590,000(1981)	3.2
	—minor renovations	(20,080 in 1981)		
61	1889	12,425	387,500(1981)	3.2
Address & Unit	Assessed Value (1982 for 1983 tax year) \$	Most Recent Selling price (Year of Sale) \$	Assessment-to Sale Price Percentage	
63 ST. CLAIR AVENUE WEST cont'd				
1001	8,475	208,500(1981)	4.0	
1805	18,825	425,000(1981)	4.4	
				Average 4.5

Overall Average Assessment-to-Sale price percentage for all condominium units: 5.9.

Address & Unit	Assessed Value (1982 for 1983 tax year) \$	Most Recent Selling price (Year of Sale) \$	Assessment-to Sale Price Percentage
61 ST. CLAIR AVENUE WEST cont'd			
109	9,025	124,000(1981)	7.2
1001	26,725	465,000(1981)	5.7
1002	19,775	277,000(1981)	7.1
1003	15,700	230,000(1981)	6.8
1004	10,775	195,000(1982)	5.5
1005	13,300	183,600(1981)	7.2
1007	14,450	226,400(1981)	6.3
1008	50,250	732,516(1981)	6.8
1901	38,000	500,000(1981)	7.6
1903	18,625	285,000(1981)	6.5
1904	19,900	305,997(1981)	6.5
1906	7,975	109,500(1981)	7.2
1907	17,225	242,300(1982)	7.1
1908	43,800	669,500(1981)	6.5
			Average 6.5
63 ST. CLAIR AVENUE WEST			
202	3,900	80,500(1980)	4.8
207	8,725	130,500(1980)	6.6
601	7,650	203,000(1981)	3.7
804	6,775	150,000(1981)	4.5
805	6,300	176,800(1982)	3.5
101 BLOOR STREET WEST cont'd			
1110	13,225	170,000(1981)	7.7
2101	18,275	255,000(1981)	7.1
2102	24,625	302,500(1981)	8.1
2103	24,350	405,000(1981)	6.0
2104	18,700	270,000(1981)	6.9
			Average 7.4
1166 BAY STREET			
301	16,525	251,680(1981)	6.5
302	18,800	240,000(1982)	7.8
		(In 1981, this unit sold for \$256,500)	
303	16,700	238,160(1981)	7.0
305	18,275	304,000(1982)	6.0
			Average 6.8
61 ST. CLAIR AVENUE WEST			
103	9,425	128,500(1981)	7.3
104	5,400	75,000(1981)	7.2
105	5,175	72,000(1981)	7.2
106	5,450	110,000(Apr.1981)	4.9
		(Earlier in 1981 this unit sold for \$75,500)	
107	5,175	82,000(1981)	6.3
108	8,275	140,000(1981)	5.9

Address & Unit	Assessed Value (1982 for 1983 tax year) \$	Most Recent Selling price (Year of Sale) \$	Assessment-to Sale Price Percentage
55 & 65 HARBOUR SQUARE (TORONTO WATERFRONT) cont'd			
1811	12,325	275,000(1982) (In early 1981, this unit sold for \$360,000)	4.4
Pent House 4	22,550	352,480(1980)	6.4
Pent House 6	25,075	381,127(1980)	6.5
Pent House 10	13,975	223,140(1980)	6.2
Pent House 11	9,625	168,500(1980)	5.7
Pent House 12	9,000	187,000(1981)	4.8
Pent House 14	20,375	331,500(1980)	6.1
			Average 4.7

101 BLOOR STREET WEST			
403	22,600	285,000(1981)	7.9
404	22,200	293,000(1981)	7.5
405	16,950	231,675(1981)	7.3
1101	16,100	213,500(1981)	7.5
1102	9,125	108,500(1981)	8.4
1103	8,700	167,000(1981)	5.2
1104	9,125	130,000(1981)	7.0
1105	21,750	243,000(1981)	8.9
1106	9,125	130,000(1981)	7.0
1107	21,050	224,500(1981)	9.3
1108	13,225	163,000(1981)	8.1
1109	16,100	215,000(1981)	7.4
33 HARBOUR SQUARE ^a (TORONTO WATERFRONT)			
403	6,800	210,000(1981)	3.2
406	6,800	147,000(1980)	4.6
411	6,575	192,000(1981)	3.4
1413	5,825	54,900(1981)	10.6
1418	2,875	57,000(1980)	5.0
3503	12,000	350,000(1982)	3.4
3507	12,000	300,000(1982)	4.0
3510	9,750	269,250(1981)	3.6
			Average 4.7

55 & 65 HARBOUR SQUARE (TORONTO WATERFRONT)			
308	6,525	110,000(1980)	5.9
310	2,175	75,000(1982)	2.9
311	2,225	62,000(1981)	3.5
313	2,825	160,000(1982)	1.7
315	5,750	135,000(1981)	4.2
316	5,925	154,050(1982)	3.8
317	7,375	135,000(1981)	5.4
1809	4,650	100,000(1982)	4.6
1810	12,200	316,000(late 1982) (In early 1982, this unit sold for \$344,000)	3.8

CONDOMINIUM AND SINGLE FAMILY ASSESSMENT—TO—SALE PRICE RATIOS:
ETOBICOKE—1982

TYPE OF RESIDENTIAL DEVELOPMENT	ASSESSMENT-TO-SALE PRICE RATIO RANGES
High Rise Condominium	4.38-7.88 ^a
Town House Condominium	4.79-9.35 ^a
Single Family and Duplexes	4.27-6.55 ^b (Overall average for Etobicoke 5.46)

^aThese ranges reflect lower and upper average 1982 assessment-to-sale ratios for individual complexes.

^bThis range reflects average assessment-to-sale ratios among neighbourhoods in Etobicoke.

Source: These data are based upon 1982 assessment-to-sales statistics compiled by the Etobicoke-York Regional Assessment Office. The 1982 sales data represent the most recent complete year of sales and also a period when greater stability returned to the real estate market.

ASSESSMENT-TO-SALE PRICE RATIOS FOR SAMPLE OF
HIGH RISE CONDOMINIUMS: ETOBICOKE—1982

SUITE	SALE PRICE (\$)	ASSESSMENT (\$)	A/S RATIO
44 Longbourne Drive (142 Apartment Units)			
— 1982 average assessment/sales ratio 5.55 on 4 sales			
704	72,000	4,050*	5.63
702	60,000	3,050	5.08
105	58,000	3,400	5.82
207	60,000	3,400	5.67
296-300 Mill Road			
— 1982 average assessment/sales ratio 6.10 on 44 sales			
A7	108,000	6,200	5.74
A27	80,000	4,950	6.19
B20	83,000	5,275	6.36

*For residential properties in Etobicoke for 1983 a mill rate of 224.58 (1982 mill rate 203.84) will be applied for public school supporters which translates into \$224.58 in property taxes for each \$1,000 in assessment. For separate school supporters a mill rate of 225.37 (1982 mill rate 204.83) will be applied for separate school supporters which translates into \$225.37 in property taxes for each \$1,000 in assessment.

Source: Data for this table were obtained from the Etobicoke-York Regional Assessment Office at 621-9400 and also supplemented with sales data from: *Teela Report — Toronto Annual 1982* (Teela Data Management Systems).

In the selection of the sample complexes an attempt was made to select complexes throughout Etobicoke and in the high, medium and low price brackets. The City of Etobicoke Planning Department was of great assistance in the selection of the sampling complexes. The 1982 sales year represents the most recent complete year of sales and also a period when greater stability returned to the real estate market.

SUITE	SALE PRICE (\$)	ASSESSMENT (\$)	A/S RATIO
296-300 Mill Road cont'd			
C2	78,000	5,275	6.76
C13	80,000	4,950	6.19
C18	77,400	4,950	6.4
C35	105,000	6,200	5.9
D3	109,000	5,950	5.46
D10	80,000	5,400	6.75
E19	83,500	5,025	6.02
PH15	82,000	5,075	6.19
2010 Islington			
— 1982 average assessment/sales ratio 6.94 on 7 sales			
306	221,000	13,775	6.23
2103	158,000	9,225	5.84
2305	119,500	8,825	7.38
2402	160,000	10,300	6.44
PH6	490,000	32,350	6.6
902	146,000	9,675	6.63
2204	100,000	9,500	9.5
49 Silverstone Drive			
— 1982 average assessment/sales ratio 6.40 on 7 sales			
206	41,800	2,550	6.10
404	42,500	2,550	6.0
806	41,000	2,550	6.22
1606	39,000	2,750	7.05
707	43,000	2,675	6.22
714—716 The West Mall			
— 1982 average assessment/sales ratio 7.5 on 69 sales			
714			
307	38,000	3,225	8.49*
810	52,000	3,575	6.88
1103	53,850	3,750	6.96
1412	59,500	4,100	6.89
1701	58,500	3,750	6.41
1802	63,500	4,250	7.09
716			
312	56,000	4,100	7.32
408	54,000	3,575	6.62
1106	52,000	3,575	6.88
1112	57,000	4,100	7.19
1806	47,800	3,575	7.48
1904	52,000	3,575	6.88
625 and 627 The West Mall			
— 1982 average assessment/sales ratio 6.82 on 86 sales			
625			
811	63,700	4,200	6.59
1106	58,000	4,325	7.46
1403	50,637	3,700	7.31

*Highest A/S ratio among sampling of suites.

SUITE	SALE PRICE (\$)	ASSESSMENT (\$)	A/S RATIO
625 The West Mall cont'd			
1501	65,500	4,250	6.49
1805	60,000	4,250	7.08
2009	51,500	3,700	7.18
2105	75,000	4,300	5.73
627			
901	65,000	4,200	6.46
1204	58,000	3,250	7.33
1402	64,000	4,250	6.64
1603	55,000	3,700	6.73
1908	54,500	3,700	6.79
1909	51,000	3,700	7.25
PH4	74,900	4,400	5.87
551 The West Mall			
— 1982 average assessment/sales ratio 6.45 on 35 sales			
711	50,000	2,800	5.6
722	46,000	2,725	5.92
1003	42,500	2,725	6.41
1410	42,000	2,725	6.49
1622	37,300	2,725	7.31
208	45,500	2,700	5.93
920	36,600	2,725	7.45
1521	41,500	2,725	6.57
1602	44,900	2,725	6.07
1520	42,000	2,725	6.49
322	43,000	2,700	6.28
603	46,900	2,725	5.81
Palace Pier — 2045 Lakeshore Boulevard West (Luxury Hi—rise Building)			
— 1982 average assessment/sales ratio 5.13 on 32 sales			
1109	121,100	6,475	5.35
1504	225,000	9,675	4.3
1707	140,000	6,950	4.96
1809	229,000	9,150	4.0**
2010	114,700	7,125	6.21
2302	149,750	7,450	4.97
3202	145,500	7,925	5.45
3508	152,000	8,475	5.58
4007	154,500	8,875	5.74
4407	159,575	9,200	5.77
3405	140,000	8,875	6.34
2706	111,000	6,000	5.41
**Lowest A/S ratio among sampling of suites.			
71—73 Old Mill Road (20 Unit Luxury Building)			
— 982 average assessment/sales ratio 5.63 on 4 sales			
105	193,750	10,450	5.39
304	169,900	9,650	5.68
305	160,000	9,250	5.78
102	190,000	10,750	5.66

SUITE	SALE PRICE (\$)	ASSESSMENT (\$)	A/S RATIO
380 Dixon Road (900 Suite Apartment Complex)			
— 1982 average assessment/sales ratio 6.17 on 22 sales			
2201	46,500	2,700	5.81
2707	52,500	2,875	5.48
1903	38,000	2,325	6.12
2401	48,000	2,700	5.62
304	46,000	2,875	6.25
408	35,500	2,325	6.55
805	46,000	2,700	6.28
801	45,000	2,700	6.0
1005	46,000	2,700	5.87
301	45,000	2,700	6.0
702	43,500	2,700	6.21
330 Dixon Road (Hi—rise Complex)			
— 1982 average assessment/sales ratio 6.4 on 20 sales			
407	48,900	2,875	5.88
1901	44,000	2,700	6.14
401	46,500	2,700	5.81
1003	35,000	2,325	6.64
1004	47,500	2,875	6.05
1107	44,000	2,875	6.53
1405	45,000	2,700	6.0
1604	44,500	2,875	6.46
2305	43,600	2,700	6.19
320 Dixon Road (Hi—rise Complex)			
— 1982 average assessment/sales ratio 6.76 on 35 sales			
904	36,000	2,750	7.64
909	41,000	2,750	6.71
1703	41,900	2,750	6.56
1705	42,000	2,750	6.55
1904	35,000	2,750	7.86
2013	39,800	2,750	6.91
2114	50,000	3,025	6.05

ASSESSMENT—TO—SALE PRICE RATIOS FOR
SAMPLE OF TOWNHOUSE CONDOMINIUM COMPLEXES:
ETOBICOKE — 1982

UNIT	SALE PRICE (\$)	ASSESSMENT (\$)	A/S RATIO
6 Lexington Avenue, 2068—2088 Martingrove and 733 Tealham Drive (56 Townhouse Units)			
— 1982 average assessment/sales ratio 7.46 on 6 sales			
10	53,000	4,000*	7.55
24	51,000	4,000	7.84
38	53,500	4,000	7.48
50	59,000	4,000	6.78
51	53,000	4,000	7.55
53	53,000	4,000	7.55

*For residential properties in Etobicoke for 1983 a mill rate of 224.58 (1982 mill rate 203.84) will be applied for public school supporters which translates into \$224.58 in property taxes for each \$1,000 in assessment. For separate school supporters a mill rate of 225.37 (1982 mill rate 204.83) will be applied for separate school supporters which translates into \$225.37 in property taxes for each \$1,000 in assessment.

Source: Data for this table were obtained from the Etobicoke—York Regional Assessment Office at 621—9400 and also supplemented with sales data from: *Teela Report — Toronto Annual 1982* (Teela Data Management Systems).

In the selection of the sample complexes an attempt was made to select complexes throughout Etobicoke and in the high, medium and low price brackets. The City of Etobicoke Planning Department was of great assistance in the selection of the sampling of complexes. The 1982 sales year represents the most recent complete year of sales and also a period when greater stability returned to the real estate market.

UNIT	SALE PRICE (\$)	ASSESSMENT (\$)	A/S RATIO
615—629 Rathburn Road and 425—531 Mill Road (86 Townhouse Units)			
— 1982 average assessment/sales ratio 6.51 on 10 sales			
6	71,000	5,000	7.04
37	76,500	4,675	6.11
46	75,400	4,675	6.2
64	73,800	4,675	6.33
81	78,500	4,675	5.96
82	71,140	4,675	6.57
83	70,000	4,675	6.68
33	69,900	4,675	6.69
6432—6466 Finch Avenue West (296 Unit Townhouse Complex)			
— 1982 average assessment/sales ratio 7.36 on 32 sales			
120	52,000	3,775	7.26
125	52,200	3,775	7.23
138	51,000	3,775	7.4
140	49,000	3,775	7.7
144	46,500	3,775	8.12
152	53,000	3,975	7.5
162	50,950	3,775	7.41
163	52,000	3,775	7.26

UNIT	SALE PRICE (\$)	ASSESSMENT (\$)	A/S RATIO
1-85 Silver Shadow Path (85 Unit Townhouse Complex)			
— 1982 average assessment/sales ratio 6.09 on 9 sales			
4	72,000	4,525	6.28
19	75,000	4,575	6.1
49	82,500	5,175	6.27
85	81,000	4,775	5.9
60	78,000	5,125	6.58
19	75,000	4,575	6.1
34	77,800	4,675	6.0
436—464 Silverstone Drive (55 Unit Townhouse Development)			
— 1982 average assessment/sales ratio 6.65 on 18 sales			
22	51,694	3,875	7.49
28	63,000	3,875	6.15
37	59,800	3,875	6.48
39	61,000	3,875	6.35
40	57,000	3,875	6.8
59	59,000	3,875	6.57
61	55,000	3,875	7.05
72	60,000	3,875	6.46
100	62,500	3,875	6.2
1387—1399 Royal York Road (43 Townhouse Units)			
— 1982 average assessment/sales ratio 5.25 on 2 sales			
41	102,500	5,050	4.93
20	94,850	5,275	5.56
1-91 Maple Branch Path and Peach Tree Path (Townhouse Complex)			
— 1982 average assessment/sales ratio 6.26 on 22 sales			
Maple Branch Path:			
16	88,000	5,800	6.59
71	96,000	5,800	6.04
55	95,400	5,800	6.08
87	93,900	5,800	6.18
Peach Tree Path:			
22	94,500	5,800	6.14
16	89,500	5,800	6.48
18	94,000	5,800	6.17
25	97,900	5,800	5.92
3-9 Kendleton Drive, 1555—1563 Albion Road and 15—29 Finch Avenue West Townhouse Complex) — 1982 average assessment/sales ratio 7.37 on 13 sales			
2	53,500	3,975	7.43
22	50,000	3,775	7.55
25	49,500	3,775	7.63
30	55,000	3,975	7.23
40	53,000	3,775	7.12
69	56,000	3,775	6.74
75	48,000	3,775	7.86
83	54,600	3,775	6.91

EXCERPTS FROM THE ASSESSMENT ACT

65.(1)

65.—(1) The Assessment Review Court, county judge, Ontario Municipal Board or any court, in determining the value at which any real property shall be assessed in any complaint, appeal, proceeding or action, shall have reference to the value at which similar real property in the vicinity is assessed, and the amount of any assessment of real property shall not be altered unless the Assessment Review Court, judge, Board or court is satisfied that the assessment is inequitable with respect to the assessment of similar real property in the vicinity, and in that event the assessment of the real property shall not be altered to any greater extent than is necessary to make the assessment equitable with the assessment of such similar real property. 1971, c. 79, s. 13, part.

(2) For the purposes of subsection (1) and of section 63, where a residential assessment is made with respect to a unit, as defined in the Condominium Act, a proposed unit, as defined in that Act, or a unit or suite in the building of a co—operative housing corporation, the value at which such unit, proposed unit or suite shall be assessed shall be based on the same proportion of the market value thereof as that at which owner—occupied single—family residences in the vicinity are assessed. 1975 (2nd Sess.), c. 2, s. 2.

S. 63 (3)

(3) Where the Minister considers that, within any class or classes of real property in a municipality, any parcel or parcels of real property are assessed inequitably with respect to the assessment of any other parcel or parcels of real property of that class, he may, if so requested by a resolution of the council of such municipality, direct that such changes be made in the assessment to be contained in the assessment roll next to be returned in that municipality as will, in his opinion, eliminate or reduce inequalities in the assessment of any class or classes of real property, and the Minister may, for that purpose, make regulations,

- (a) prescribing standards and procedures to be used for the purpose of equalizing and making equitable the assessments of all real property belonging to the same class in the municipality;
- (b) prescribing the classes of real property into which the real property in the municipality shall be divided for the purpose of this subsection;
- (c) providing that any equalization of assessment pursuant to clause (a) shall not alter, as between classes of real property in the municipality, the relative level of assessment at market value previously existing between or among such classes, or providing that the equalization shall alter such levels of assessment at market value no more than is reasonably necessary to provide equitability of assessment within each class; or
- (d) providing that an equalization pursuant to clause (a) shall not, except so far as is necessary to give effect to section 33, section 64 or subsection (2) of this section, alter the proportion that the municipal tax attributable to a class of real property for the year in which the equalization is directed to be made is of the total municipal tax for that year. 1979, c. 88, s. 2(2).

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Hansard

Official Report of Debates

Legislative Assembly of Ontario

Third Session, 32nd Parliament

Thursday, November 3, 1983

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday, November 3, 1983

The House met at 2 p.m.

Prayers.

Mr. Speaker: Oral questions.

RESPONSES BY MINISTERS

Mr. T. P. Reid: Mr. Speaker, I have two points of order. One is in relation to a ruling I would like from you, sir.

Questions were put to the Chairman of Management Board (Mr. McCague) some two to three weeks ago in relation to the Provincial Secretary for Justice (Mr. Walker) and his letting of contracts to the tune of some \$400,000 without tender, and the minister promised he would look into that situation. I understood him to say he would report back to the House.

In his estimates last Monday, I believe, responses by the Chairman of Management Board to questions by me and the member for Etobicoke (Mr. Philip) were to the effect that he would respond later to any questions that were asked or during his estimates. It seems to me that, having made a commitment at that time to respond, he should respond during question period so that we would have further opportunity to ask questions.

The second point of order is that the Treasurer (Mr. Grossman) indicated to the House, the public and the civil service that he would introduce legislation and give a statement concerning the government's approach to his new restraint bill for this coming fiscal year. He indicated he would do that on November 1, although I am now informed that his statement, in fact, said "around November 1."

In view of the importance of and interest in this matter, I think the Treasurer should quit hiding in a closet and should come forward. I was expecting, frankly, that he would make that announcement here in the House today. I wonder if this is another sort of French-language issue, where it will be announced in the farthest reaches of the province and where it will not get out to the public.

Mr. Speaker: Those are hardly points of order. However, I would think that both ministers will take note of what you have said and will react accordingly.

Mr. McClellan: Mr. Speaker, will you adjust the clock? We have taken three minutes already on this.

Mr. Speaker: I would point out to you that the standing orders say quite clearly that points of order will be part of the question period.

ORAL QUESTIONS

DEMOLITION CONTROL

Mr. Peterson: Mr. Speaker, I would like to thank my colleague for giving me time to get in my seat. Thank you very much.

I will ask the first question of the Minister of Municipal Affairs and Housing regarding the demolition control bill. He is aware, after all, of the discussions we have had and he has had with Toronto city council for some time and that the council has now indicated it would like a two-year delay period with respect to the legislation for demolition control. Would he support the city's request for the power to delay demolition for up to two years? If not, why not?

Hon. Mr. Bennett: Mr. Speaker, the House is aware that the city of Toronto submitted to this Legislature a private bill relating to the rights to control demolition and to restrict demolition permits. We clearly indicated to the mayor through my parliamentary assistant, who met just last week with the mayor, I believe, that as a government we were not prepared to accept the bill as it was drafted. We clearly indicated to him what we felt was a reasonable avenue by which to approach the subject. At the time, we also indicated to him that the two-year period was not one we were receptive to at this time at all.

As a result of the discussions with the mayor and the members of council, I understand they are in the process themselves—that is, the council—of reviewing the bill as to amendments or changes they might make and then they will come back for further discussion with us.

Mr. Peterson: The minister is aware they are requesting a two-year delay because they are intimately aware of the problems which are being created by these demolitions or potential demolitions, given the housing squeeze.

In the 134 apartment homes at 790-840 Eglinton Avenue West, they have lived in insecurity for

some 1,272 days now—a large percentage of them are older people—not knowing whether or not their building would be demolished. It is 572 days since the original version of the bill was first introduced in the House. They have been living with perpetual insecurity, and I know the minister will understand the human problems which are being created by this.

I ask the minister what advice he has for these people. Where are they going to go when he tears down their building?

Hon. Mr. Bennett: I think we are now trying to run two situations into one. We are talking in one case about an individual and his property rights in this community. The other situation is the tenants who had the opportunity of looking for other accommodation.

I am fully aware that in the Metropolitan Toronto area and, in particular, the downtown area there is some difficulty in trying to find units at the same relative rent. I understand that some of the tenants—and I do not wish to get into the specific cases because it is not part of the responsibility of this ministry—have been there for only a relatively short period of time.

There are opportunities. As I follow the Toronto Star and the other publications that come out indicating tenancy opportunities, they would seem to be rather extensive, not only in the outlying areas of Metropolitan Toronto, but there would also appear to be a fair number of units available in the downtown community as well.

Mr. McClellan: Mr. Speaker, I wish the minister would tell us where they are.

By way of supplementary, may I ask the minister if he would clarify the proposal that was put forward to the public accounts committee when his colleague the member for Wilson Heights (Mr. Rotenberg) came in and torpedoed Bill Pr3? Can he explain to us whether or not the government, as part of this proposal, intends to make financial assistance available to the city of Toronto to assist them to purchase properties which would be affected by the minister's revised version of demolition control, which requires the city either to grant a demolition permit after the expiration of a specified period of time or to purchase the building.

Does the minister intend to make financial assistance available to make sure the housing stock can be purchased and will remain available for low-income people, or what?

2:10 p.m.

Hon. Mr. Bennett: Mr. Speaker, the bill was

being proposed by the municipality, not by the government. It was their intention to try to restrict some of the property rights of the individuals who own the buildings, limiting the ability of the individuals to do with the property as they see fit and their capital investment in it. I said we offered to look at the possibilities of amending the bill, to put similar conditions into that bill as those that exist in the heritage bill for the preservation of heritage properties, something basically along the same lines.

In the field of financing and financial help, if those buildings can fall under any of the current federal or provincial programs that are offered to municipalities, then obviously they would be entitled to that assistance.

Mr. Peterson: Does the minister realize there is a crisis in housing in the city of Toronto? We have a current vacancy rate of 1.1 per cent, which represents roughly 888 units in buildings of six or more apartments. No doubt he is aware that on average we have added to the housing stock in the city only 380 units per year for the last five years. He is aware that unless these demolitions are stopped, roughly 1,000 units will be demolished in the very near future.

We will have a zero vacancy rate or possibly even less than that. My question again is, where are all these people going to accommodate themselves? We have a crisis on our hands and the minister has to respond.

Hon. Mr. Bennett: I am always interested in the Leader of the Opposition when he says we have a crisis on our hands.

A moment ago the member for Bellwoods (Mr. McClellan) said, "Show us where there are some units." I trust the members and their researchers will take the opportunity to read the local press in relationship to the availability of units in this community.

I cannot say to the Leader of the Opposition or to the third party that we are going to be able to make sure the same number of units at the same rate of rent that exists at present in those units is going to be available, but there are units in the marketplace. Very clearly and very frankly, I believe there has to be some degree of respect for property rights in this province as well.

HYDRO GENERATING CAPACITY

Mr. Peterson: Mr. Speaker, I have a question for my friend the Minister of Energy. The minister is no doubt aware that Ontario Hydro has mothballed \$1.167 billion worth of installed

plant capacity, representing 6,916 megawatts of production of electricity in the last four years.

In the last two or three months we have experienced a series of incidents that have detracted substantially from the generating capacity of Ontario Hydro. Could the minister confirm whether or not the press reports, the Ontario Hydro reports, are correct that Ontario is going to have to import electricity this winter from outside our provincial borders?

Hon. Mr. Andrewes: Mr. Speaker, does the Minister of Revenue (Mr. Gregory) want to answer that question?

I am very pleased to be able to comment on the press reports. The Leader of the Opposition is again posing a question based on research by Mr. Claridge in the *Globe and Mail*. Mr. Claridge quotes quite freely from a staff member of Ontario Hydro and seeks confirmation of his information from that staff member.

I want to suggest to the Leader of the Opposition that the evidence Mr. Claridge is presenting in his article, based on statements made by that staff member, is not the corporate opinion of the utility, that the exchange of electrical energy with US utilities is something that is constantly under consideration, and that the utility will endeavour to get the best price and the best case in terms of supplying electrical energy to the people of this province.

If that necessitates purchases from the United States as a result of difficulties in transmission or generation, then the purchases will be made to the best advantage of Ontario consumers.

Mr. Peterson: What the minister has answered is yes. He has said they will be importing power from outside our provincial borders. I think that is what he said, although he has an opportunity to clear that up.

Is the minister aware that the shutdowns in nuclear plants and nuclear generators since August 1 this year, plus his projections for the next little while of how many reactors will be out for how long, given the cost projections he has used, will cost us \$192.2 million just for those shutdowns? Is the minister aware of that, and how much more is he going to spend on importing power from outside Ontario?

Hon. Mr. Andrewes: In respect to my comments, I hope the Leader of the Opposition is not putting words in my mouth. I said it is normal practice for Ontario Hydro to exchange electrical energy with US utilities. The sales go both ways. That has been going on for a number of years and is not likely to change.

The whole question of cost related to the outages at Ontario Hydro's nuclear plants is speculation. It is based on a figure in terms of replacement energy. That figure is often loosely bandied around by those who want to pinpoint those costs down to what would apply to a normal utility bill. It is pure speculation. The Leader of the Opposition must realize that in Ontario Hydro's nuclear program the budgets are cast, based on an 80 per cent efficiency level. That allows for about a seven-week outage each year.

Mr. Rae: Mr. Speaker, I have a very simple question for the minister. How much power is Ontario Hydro going to have to import from the United States and possibly from Quebec as a result of the mothballing and the shutdown of some of the nuclear stations? How much power is it going to have to import and how much is that importation going to cost?

Hon. Mr. Andrewes: Mr. Speaker, that is a very interesting observation and a very interesting question. If the leader of the third party can tell us how much power is going to be used in the province in the next 12 months, then I could give the member those precise details.

Mr. Rae: Do not give us this nonsense. They are going to have to place the contracts, and the minister knows it, whether they use the power or not.

Mr. Peterson: Mr. Speaker, I refer these figures to the minister. It will cost \$118 million for alternative fuel, \$72 million in ongoing carrying charges while the reactors are down, and \$1.5 million in heavy water loss, for a total of \$192.2 million in losses just in the last three months and over the next month's projections.

Mr. Speaker: Question, please.

Mr. Peterson: My question to the minister is this. We have been asking many questions in this House for the past few weeks. The minister has not chosen to share the answers with us. We asked him the potential cost of tube replacement at Pickering unit 2. He did not share the answer. We asked what methods were available to reduce workers' exposure to radiation during any tube replacement work, a critical question. He chose not to answer. We asked, on more than one occasion, whether the garter spring migration had occurred in the operating reactors at Bruce A. He chose not to answer. We asked whether the technology is in place to correct the problem with the garter spring. He chose not to answer.

When is the minister going to answer these questions that are so very critical? Is the minister going to come forward in this House and tell us what is going on at the various reactors?

Hon. Mr. Andrewes: Mr. Speaker, there have been numerous questions posed to me over the last two weeks that require specific details. I wanted to make sure the Leader of the Opposition had accurate details. I did not have those accurate details at hand when the questions were posed. I took the questions as notice and I will provide those answers when those details are forthcoming.

Mr. Rae: Mr. Speaker, I have a question of the Minister of Energy. Given the fact that it now appears possible that this winter Ontario will not even be self-sufficient in electricity, let alone self-sufficient in energy, as was much parroted and touted in the Energy Security for the Eighties document a short couple of years ago, I would like to ask the minister if he can tell us whether the government will reconsider the decision to mothball the number of plants that have already been mothballed and could be brought back on stream and would provide electrical generation in substitution for the nuclear power that is not being generated at present.

2:20 p.m.

Hon. Mr. Andrewes: Mr. Speaker, on the question of reconsidering the mothballing, the advice I am offered by Ontario Hydro is that, according to the best projections it can make, the mothballing of those plants is still economic.

Mr. Rae: If the minister is going to act here as a messenger boy for Hydro, perhaps he would have the decency to provide us with the facts and figures on which Hydro is basing its decision. What are the figures available to him from Hydro with respect to these so-called economic efficiency decisions? Is he prepared to present them to the House today or at the earliest opportunity so that we, on behalf of the citizens of this province, will be able to have a look at this kind of mismanagement?

Hon. Mr. Andrewes: Several of these questions were raised by the leader of the third party in a submission he made to the standing committee on public accounts. I am advised by that committee that a number of these questions will be dealt with. If he requires further detail, I will be glad to provide that detail.

Mr. Peterson: Mr. Speaker, is the minister now saying it is cheaper to import electricity than it is to generate it here at those installed

plants? If that is the case, how does he ever expect to export power, as was the original plan in going on and building Darlington? How can he have it both ways, or does he expect the consumers of Ontario to subsidize those exports if they ever come along?

Hon. Mr. Andrewes: Mr. Speaker, I do not recall saying it was cheaper to import electricity than it was to mothball plants. All I am saying is that the exchange of electricity is part of a normal pattern in dealing with the supply required by the province. If it is more expedient for a short time to buy electricity to service a certain sector of Ontario than it is to bring on new generation or extend transmission lines, that is the kind of scenario Ontario Hydro will weigh in meeting its mandate to supply electricity to Ontario consumers.

Mr. Rae: The Tory party talks about efficiency. Let us look at the miracle the Tory party has wrought. They have given the people of Ontario the capital costs of a nuclear system and the operating costs of importing energy from the United States at inflated rates. That is the kind of efficiency the Tory party is touting.

Mr. Speaker: Question, please.

Mr. Rae: Can the minister confirm that as a result of what has happened in this province and the mismanagement by the Tory government of a vital resource of our province, Hydro-Québec is going to be exporting electricity energy to the United States and we are going to be importing excess energy from the United States? Is that the logic of what the government is proposing now?

Hon. Mr. Andrewes: With respect, I think the Tory party has given this province a most dependable, efficient and world-class public utility. If the leader of the third party looked at the rates offered by Ontario Hydro and at the record of Ontario Hydro in terms of dependability and the efficiency of its nuclear operations, he would make that observation himself.

INFLATION RESTRAINT LEGISLATION

Mr. Rae: Mr. Speaker, I wonder whether I could ask a question of the Treasurer with regard to controls. The Treasurer will be aware that in 1973 the inflation rate was 7.7 per cent and the government did not feel it required controls. In 1974, the inflation rate was 10.9 per cent and the provincial government did not feel there was a justification for controls. We then had three years of federal controls.

There was an 8.8 per cent rate of inflation in

1978 and no apparent justification for controls; 9.2 per cent in 1979 and no justification for controls; 10.2 per cent in 1980 and no justification for controls; 12.5 per cent in 1981 and no justification for controls. Then we had controls when inflation dropped to 10.8 per cent. Now inflation is running at around five per cent.

Standards have been set by the Divisional Court with respect to the justification for a control program that limits compensation in the public sector. The Treasurer is well aware of those standards. He is also well aware of the tests that have been established by the International Labour Organization. If he is not aware of them, he should be, because they have been adopted by the Divisional Court and the Supreme Court of this province.

What justification can the Treasurer make to the people of Ontario and eventually, as he is going to have to do, to the courts of this province and of this country for a compensation control program at a time when inflation is running the lowest it has ever run since 1972?

Hon. Mr. Grossman: Mr. Speaker, very simply I think the greatest risk we face as we begin to come into a recovery period is to have another round of serious inflation in this country. We also have to remember that the American rate of inflation is running at 2.5 per cent. Therefore, a circumstance where Canadians are pretending to say—if indeed they are; I think only the honourable member is—"Five or six per cent is an okay rate of inflation; let's accept it," is a very dangerous policy to follow.

I think most people would agree that, if anything, we face a risk of inflation on the upward side. If we take a gamble and lose, we will end up in a seven or eight per cent inflationary period again while the Americans are at 2.5. The fantastic job creation trend we have had in the past year, with about 170,000 new jobs in this province alone in the past 12 months, will stop in its tracks. Instead of debating public sector compensation in this House, we will be debating once again 12 and 13 per cent unemployment. That would be a tragedy, and that would be ultimately and clearly the wrong policy for this government to follow.

Mr. Rae: The Treasurer can parade all the horrors he wants of what various Halloween monsters are going to emerge from the night if the government places some confidence in a collective bargaining system it is supposed to have had confidence in since the Second World War.

But given the opinion of a very senior arbitra-

tor, Martin Teplitsky, and a number of other legal observers, whom I know the Treasurer must have been speaking to in the past couple of weeks with respect to the Divisional Court decision, I want to quote from Mr. Justice Smith when he talked about how the Supreme Court would be making a decision with respect to the control of compensation: "The decision would then have to be made in light of the circumstances prevailing at the time, and a new balancing exercise would have to be engaged in by the court, a very new balancing exercise depending on a very different set of facts."

Why is the Treasurer introducing a program before referring it to the Court of Appeal of this province to determine its constitutionality, when its impact is going to be devastating and serious on the collective bargaining rights of half a million workers in Ontario?

Hon. Mr. Grossman: I take some exception to one of the premises in the member's prelude to that question. I will not go into his remarks of yesterday, which I thought were, to put it mildly, a little immoderate. Had any member on this side of the House said those kinds of immoderate things about some of the positions the member takes and interpretations of them, I would suggest he would have been up on a point of privilege earlier today.

None the less, I just want to say that no one on this side has said we do not respect or have confidence in the collective bargaining system. In the whole exercise, which I would say to the member for Rainy River (Mr. T. P. Reid) has delayed us somewhat, just two or three days, in bringing in this legislation, we have been trying to accommodate the maximum amount of collective bargaining, with which we agree, in this new program.

In answer to the member's direct question, notwithstanding the views of others, all of whom he has named, we are not about to abandon our responsibility to make some of these difficult, but right, decisions to anyone else in society. Others may think that decision wrong. We find these decisions difficult to take, but that does not mean they are not right, and it does not mean they are not our responsibility. Also, quite frankly, it does not mean we are not prepared to face up to the consequences of bringing in what we believe to be appropriate legislation. These are our responsibilities; we are going to fulfil them.

Mr. Peterson: Mr. Speaker, the Treasurer should not tell us he believes in collective bargaining. If he does, why did he turn down our

amendments to the bill last time, which would have struck down clause 13(b) and which would have restored the right to collective bargaining?

Mr. Speaker: Question, please.

Mr. Peterson: We anticipate. It was all there in front of him. It was plain in front of his nose.

Interjections.

Mr. Speaker: Order.

2:30 p.m.

Mr. Peterson: How is the Treasurer going to get any support whatsoever for his restraint program if he does not restrain prices as well? If he does not restrain Ontario Hydro prices, if he does not include doctors and bring fundamental fairness and equity, how can his program, whatever it is, be deemed fair in any respect at all?

Hon. Mr. Grossman: Mr. Speaker, I had the pleasure, so to speak, of reading the contributions and amendments by the Leader of the Opposition and his party to last year's discussions over Bill 179, and for the first time during this discussion I share some of the catcalls he got from the third party when he put that proposition a moment ago. I look forward to the honourable member's contributions this year.

Since he endorsed a two-year program and said we were too soft last year in having a one-year program, I find it a little bit unusual that he is now taking these kinds of positions this year. Since he asked the Premier (Mr. Davis) a couple of weeks ago why we were introducing a second year of restraint and took the position last year that we should have had two years of restraint, not one, I wonder which direction the member is going in this year.

If it is his opinion this year, as I think it was last year, that we need full wage and price controls in the public and private sectors, then I should like to hear that, because this party believes we do not need full wage and price controls in the private sector.

Mr. Rae: I simply want the Treasurer to understand the implications of what he has said. The Supreme Court of this province has in a unanimous judgement set out a very specific decision with respect to the legal, political and social rights of the working people of this province in terms of the meaning of freedom of association. The government now intends to proceed without regard to the meaning and the implications of that decision and without want-

ing in any way to refer this question to the Court of Appeal of this province.

Mr. Speaker: Question, please.

Mr. Rae: How can the Treasurer justify ignoring a decision of the Supreme Court of this province? How can he justify running roughshod over the rights of working people, which for once have been protected by the courts of this province?

Hon. Mr. Grossman: Is the member putting forward the premise that every bit of legislation that is brought into this House should first go to the courts? That is an unusual proposition for him to make.

Mr. Rae: You already have a ruling.

Interjections.

Mr. Speaker: Order.

Hon. Mr. Grossman: With respect, the member has not seen the legislation. He does not know whether that ruling comes anywhere close to this legislation; he has not seen it yet. So on a sight-unseen basis he is telling us we should refer something he has not seen. He does not know how close it comes to the court decision; he has not read it. Yet he is saying, "Would you mind delivering it to the courts before you introduce it," which is a rather extreme and unusual proposition for him to put.

If he wants to put that proposition next week, after seeing the legislation, I suggest he may still be wrong, but at least he may be better informed before reaching the conclusion, having looked at the court decision and having looked at nothing, that nothing should be referred to the courts. That would be unusual, and it is not going to happen.

BEEF PRODUCTION

Mr. Riddell: Mr. Speaker, I have a question of the Minister of Agriculture and Food. When his deputy minister was interviewed by the news media following the agrifood conference his ministry sponsored a week or so ago, he said:

"There really wasn't ever a recession in agriculture compared to the other natural resource sectors, construction, mining, forestry, manufacturing industries. We did not have idle capacity of any description other than a few very minor, frankly supplying industries. We did not have significant idle people or layoff. We really rode this one out, in Ontario particularly, very effectively in total output terms, in value terms. If somebody looks back 10 years from now, they would not have said there was ever a recession '80-'83 in the Ontario farm community."

How does the minister reconcile that with the comments made by the Treasurer (Mr. Grossman) following his recent tour of farms in Dufferin county as reported in the *Kitchener-Waterloo Record*:

“‘We’re not going to let the beef industry die,’ he said. ‘We’re not going to let any part of the agricultural industry die.’ Grossman said he was ‘really quite touched and concerned’ about the plight of area farmers after learning that many are now teetering on the brink of financial ruin through no fault of their own. ‘It was distressing for me to see fine farms, first-class operations which will be lost, not because (the owners) borrowed too much money but because of current market conditions,’ he said.”

How can the Treasurer get a clear picture of the state of the beef industry in this province within a few short hours, whereas the minister in his second year as Minister of Agriculture and Food does not seem to understand that our beef producers need a shot in the arm from this government to help them fight an economic malaise which caught them without any immunity whatsoever, unlike the beef producers in the other provinces?

Hon. Mr. Timbrell: Mr. Speaker, I was very pleased to hear the results of the meeting between my cabinet colleague and the local farmers. Obviously, the repeated submissions by the minister and the Ministry of Agriculture and Food have been rubbing off. I submit that if one looks at the list of new programs which this minister and this ministry have initiated in the past year or so—the beginning farmer assistance program, the proposals to improve the farm tax rebate system—

Mr. Riddell: How is that going to help the beef producers?

Mr. Speaker: Never mind the interjections. Just refer to the first question, please.

Hon. Mr. Timbrell: It is interesting, though, that to date we have approved 118 applications for the beginning farmer assistance program, and the five counties with the heaviest concentration of successful applicants are Bruce, Grey, Huron, Perth and Middlesex. I submit that the majority of those are likely to be in the livestock industry.

I am glad the honourable member raised the point, because I was not going to make a statement on it, but he will know that after months and months of diligent work on the part of the staff of the Ontario Ministry of Agriculture and Food and myself, if I may be immodest,

we have been successful in getting an agreement with the federal government and several other provinces to initiate a red meat stabilization plan.

Part of those discussions, and this gets to the latter part of the question, has been on the matter of whether there should be any retroactivity or another one-time fix. I have reported to the House repeatedly and to cattlemen all over the province, including in the counties of Bruce, Grey and Huron, that throughout those discussions it has been made clear that we would jeopardize the chance to establish that stabilization program and help the beef industry now and for the future if we were to do that.

Further to that, the member is aware that the ministry has done a lot of intensive work with the red meat industry, and particularly with the cattlemen of the province, in working out some proposals that are currently before cabinet for further initiatives to assist the red meat industry, and particularly the cattle industry, in the future. I was pleased to see the comments of my colleague, because I would hope they would signal a rather generous review, if I can put it that way, when they come up for a decision.

Mr. Riddell: I am well aware of the meeting the minister had with the other provincial ministers and the federal Minister of Agriculture and that they did reach an agreement. I am also well aware that the national stabilization plan will not come into effect until next year. I am fully aware of that.

2:40 p.m.

Mr. Speaker: Question, please.

Mr. Riddell: What assistance does he, as the minister responsible for the maintenance of a viable agricultural industry in this province, intend to render to help the beef producers to overcome their present financial difficulties, which difficulties, as the Treasurer stated, came about through no fault of their own?

How does the minister intend to help the beef producers to survive this year so that they will have a chance to participate in the national stabilization program next year? If the minister believes it is going to become retroactive, then he believes in tooth fairies. That simply will not happen.

Hon. Mr. Timbrell: The member is right; he has obviously been talking to the federal minister. That is part and parcel of the discussions that have been going on. If the member is saying he is prepared to throw away any chance of the stabilization program and do nothing about the

future of the industry beyond November 1983, then he is dead wrong.

SUDBURY HOUSING

Mr. Martel: Mr. Speaker, I have a question for the Minister of Municipal Affairs and Housing regarding the problem of affordable housing in Sudbury. The minister is aware that we have had negotiations concerning this problem. Recently, I received a letter from Romeo LeBlanc, which makes the following point.

"Based on a review of the current Sudbury situation, I would recommend that municipalities pursue the municipal nonprofit approach. Such a corporation would be in a position to acquire mortgage insurance fund properties as well as others. If the province were prepared to match the federal assistance, the bulk of the units could be made available on a rent-geared-to-income approach. Such a corporation would be in a position to acquire mortgage insurance fund properties as well as others. If the province were prepared to match the federal assistance, the bulk of the units could be made available on a rent-geared-to-income basis."

In view of the negotiations that are going to take place tomorrow with respect to this between the minister's staff and some people from the city of Sudbury, is the province prepared to indicate that it is going to match the federal assistance promised by LeBlanc, purchase the mortgage insurance properties that are available and others, and then make these units available on a rent-geared-to-income basis?

Hon. Mr. Bennett: Mr. Speaker, I am sure the member also has a letter from the regional chairman which acknowledges some of the recent discussions both Mr. LeBlanc and I have had with that municipal council.

My letter to the regional chairman of some days ago clearly indicates that I am on side, and have been for some period of time, suggesting to either the city of Sudbury or to the regional government, one or the other, that they should establish themselves in a municipal nonprofit housing corporation to be able to participate in the allocation process of the municipal nonprofit units that are given to Ontario, which in turn we reallocate to the various communities across Ontario.

I indicated that to the chairman and I understand the region is not interested in forming a nonprofit corporation. The city of Sudbury, as the member said, will be reviewing further tomorrow with our ministry people the possibility of establishing one. Obviously, if Sudbury

does come along, we will assist it through a funding program to put the corporation together financially. If they qualify for units, and I have indicated they would for 10 or more units, Mr. LeBlanc has now indicated the Canada Mortgage and Housing Corp. is prepared to do one of two things, either to sell or to get into a rent supplement program.

Yes, we in the province will participate with the federal government in accordance with the agreement we have signed.

Mr. Laughren: Mr. Speaker, I wonder why the provincial minister of housing has not been prepared to do even as much as the federal government has done in the last couple of years in terms of subsidized housing in Sudbury. There are 174 crisis housing cases right now in Sudbury. Those are families with over 60 points out of the 100 required for public housing.

Since the minister is apparently offering assistance on only 10 units to CMHC-owned homes, which would still leave 164 families in crisis, why is it that he has not been able in the last couple of years to match or come even close to matching the federal contribution?

If my figures are correct—perhaps the minister would tell me I am wrong in that—in the last two years the provincial Ministry of Housing has put in place only 69 subsidized units while the federal government, through CMHC, has put in 328 units.

What is the minister prepared to do in the short term to reduce that problem of 174 crisis cases, beyond the 10 units that he has already offered? Second, what is he prepared to do about that waiting list of 600? What is he going to do about that long-term problem?

Hon. Mr. Bennett: Mr. Speaker, we have been over this question about Sudbury, as I have been with other communities. It is very clearly spelled out as to how a community can participate in trying to secure some of the allocation relating to the nonprofit program.

It has been Sudbury's decision not to get into that program. At the same time, we have CMHC, which has the right to allocate—let us make it very clear; CMHC has the right to allocate units in the private nonprofit—

Mr. Rae: Stop passing the buck.

Hon. Mr. Bennett: The leader of the third party should know about passing the buck. He was in Ottawa for a while.

Mr. Speaker: Never mind the interjections.

Hon. Mr. Bennett: The federal government has the right to allocate to private nonprofits

and co-ops. Those groups have participated in that community. If the member would look, there are a number of those units that were built by the co-ops and private nonprofits, and we would get into a rent supplement program with them through the provincial government program.

We have offered to Sudbury, as we do to every other community of this province, the right to participate in the municipal nonprofit program, the right for the provincial government to participate with the private nonprofits and the co-ops through a financing program with this government. We have 115,000 units in this province for the support of those less fortunate and we as a province have participated fully, in a very frank, forceful way, with the federal government within the terms of reference that we agreed to in 1978 and have fully lived up to ever since.

NUCLEAR WASTE

Mr. Sargent: Mr. Speaker, I have a question of the Minister of Energy. The minister will recall that in the estimates I mentioned he should not be blamed for the sins of the previous ministers who were recycled. Three or four days ago, the first minister of the province stated that the opposition was dragging Ontario into the Dark Ages.

In view of this, how does he defend the fact that in the United States of America the Nuclear Regulatory Commission has ordered the cancellation of 70 nuclear plants, amounting to billions of dollars, because they have no solution for the disposal or the storage of spent fuel rods? We in Ontario, as the minister knows, have thousands and thousands of spent fuel rods stored in swimming pools and these all have a radiation life of 2,000 years.

We are rapidly reaching the point where we will have to mothball some of our nuclear plants which have a life of maybe 20 to 30 years. Can the minister tell the House, or get the information to tell us, what is most important at this time and place in view of what is going on in America and the free world on nuclear power? How do we mothball a nuclear plant, not the coal-fired plants the government has now? There is no way to mothball a nuclear plant. How is he going to do that in the next three, four or five years?

Mr. Speaker: The Minister of Energy.

Mr. Sargent: Just a minute, Mr. Speaker.

Mr. Speaker: I thought I heard a question.

Mr. Sargent: I am building up to it. How can the minister leave the spent fuel rods in swim-

ming pools and the plants we have to mothball, all this garbage, for our children to find the answers to?

Hon. Mr. Andrewes: Mr. Speaker, this is an area with which I have some familiarity, in particular as parliamentary assistant. I had some affiliation with the work of Atomic Energy of Canada Ltd. at Whiteshell and the kind of research it is doing in terms of the disposal and storage of nuclear waste.

2:50 p.m.

Before we go too much further, I think I should correct the record because there is a misconception here that the United States has cancelled every nuclear reactor program that is under way. There are currently some 70 plants under construction. In the Tennessee Valley Authority—which is often quoted as the model of a United States utility, a model for the rest of the world to follow—some 5,000 megawatts of electrical nuclear generation are currently under construction.

I can assure the honourable member that AECL has a very well-funded, very forward-looking program in terms of disposal of nuclear waste which is being shared with other nations of the world which have a similar problem, including the great nation of France, for which the third party no doubt has some affection.

I can only assure him that the program is ongoing and that it is a program which involves the participation of Ontario Hydro in terms of high-level waste as well as low-level waste.

Mr. Sargent: The minister knows that with the federal program, AECL says it will be 1990 before we will have a place to bury the spent fuel rods. This is the target date.

One of the senior Ontario Hydro officials, in defending the decision to proceed with Darlington, made a statement to the effect that, "We must have Darlington, even in view of our 40 per cent surplus of power, to use up the surplus uranium contracts because of the long term."

Does the minister agree that we should force the people of Ontario to compound this \$7.5-billion unbelievably scandalous contract by compounding this, by tying it in with a \$20-billion package that will be the cost of Darlington?

Why does the minister not take steps right now to cancel or renegotiate the contract with Denison, for which the time is now ripe.

Hon. Mr. Andrewes: The whole question of the uranium contracts was recently reviewed by the public accounts committee at the request of

the member. I am told the member failed to appear at that committee when, in fact, he had made the request for the committee to do the study. In appearing before the committee, Ontario Hydro personnel answered forthrightly all the questions put to them with respect to those contracts.

If the member wishes to suggest that Ontario Hydro renege on those contracts, perhaps he would like to give some perspective on what the results would be to the Ontario industry?

SUBSIDIZED RENTAL HOUSING

Mr. Di Santo: Mr. Speaker, I have a question for the Minister of Municipal Affairs and Housing.

The minister knows that Downsview Acres at 2195 Jane Street was initially a limited dividend building which was transferred in 1977 to the Metro Toronto Housing Authority and converted to rent-geared-to-income scales.

Is the minister aware that the rents in this building went up 24 per cent in 1982 and 25 per cent in 1983, for a total of 49 per cent? Also, because of the fact that the transfer provoked an increase of the income portion going towards the rent from 20 to 25 per cent, does the minister not agree that senior citizens with fixed incomes should not be subjected to those types of increases? If it is going to apply to those senior citizens after a review, I would hope he will ensure that the senior citizens' rents will be subjected to the same ceiling as the Treasurer (Mr. Grossman) wants to impose on the public service workers of Ontario.

Hon. Mr. Bennett: Mr. Speaker, first of all, I will have to take notice of the question in relation to the particular unit of which the honourable is speaking. I only want to comment that if it is on a rent-geared-to-income basis and is basically occupied by senior citizens, there has been a policy in this province and in this country for a fair period of time that on rent-geared-to-income units the rent has always been predicated on 25 per cent of income.

While it might not please the member for Downsview, the fact is it has been an accepted policy in all of the municipalities in this province and in all the housing units we have and I am not about to recommend to this government or to the federal government that it should be altered.

Mr. Di Santo: I would like to ask the minister if he will not agree with me, when he checks the facts, that this increase from 20 to 25 per cent was phased in over three years and that is why the rents were increased 50 per cent between

1982 and 1983. I would like him to ask the Metro Toronto Housing Authority at least to phase in the increase over a longer period of time than the three years it chose, so that the impact on the residents of that building will be less onerous than it is now.

Hon. Mr. Bennett: As I said earlier, I am prepared to review the situation. I only want to caution the House once again that the implementation of phasing-in whatever differences there are between the rent-geared-to-income factor of 25 per cent and the lesser factor that the member is speaking of has to be absorbed 100 per cent by the municipal organization or by the province.

The federal government made it very clear to us that in calculating rents in relationship to cost, it will calculate them all at 25 per cent of income. Anything falling short of that, either the provincial or municipal government can make up. I will review the particular building the member mentions to see exactly how it is involved, but if it relates back to the 25 per cent rent-geared-to-income factor, the policy will apply.

Mr. Epp: Mr. Speaker, given the fact that the provincial government espouses a policy of restraint, does the minister not think it would be wise and consistent if the ministry were to follow the edicts of the cabinet and the provincial government and pass down that restraint to these rent-geared-to-income properties rather than have increases of 20 to 25 per cent, which the minister has defended with great difficulty in the past and very embarrassingly to his ministry and to the government?

Hon. Mr. Bennett: Mr. Speaker, never with any embarrassment to myself, my ministry, my government or the federal government. I think the people of this province and this country have done an outstanding job in trying to put units in place for senior citizens at a reasonable rent. We have accepted the principle for many years that a figure of 25 per cent of income for rent for senior citizens was a reasonable position in which to find ourselves and it has been accepted by the senior citizens of this province and by the families in those public units as well.

The cost to the people of Ontario and Canada for the units in Ontario alone this year will be some \$350 million. There is no apology from this minister on behalf of the taxpayers of the province who have honoured their position in trying to give people a decent place to live at a reasonable rent. The fact is we have accepted a

25 per cent rent-geared-to-income factor. If the member's party wants to recommend to the federal minister that there should be a drastic reduction for which they are going to pick up the charge, I would be delighted to hear the outcome.

CURRICULUM GUIDELINES

Mr. Bradley: Mr. Speaker, I have a question for the Minister of Education. During consideration of the estimates, when I raised the issue of the opposition of the Ontario Secondary School Headmasters' Council to the implementation of the proposals in the document, Ontario Schools: Intermediate and Senior Divisions, in September 1984, the minister said:

"The principals made it very clear to us that as long as OSIS was in their hands in early October of this year there would be sufficient time available for them to do all of the planning they needed for the introduction."

She also contended during the estimates, "This is an important activity and we would like to get on with it," quoting the Ontario headmasters' association.

Despite these statements, how can the minister come to the conclusion that the headmasters support her position of implementing OSIS in September 1984 when N. E. Sliter, chairperson of the headmasters' council, stated in an October 4, 1983, letter to all headmasters: "We still oppose implementation in September 1984 because curriculum documents are not yet available, particularly in basic and general levels and in Ontario academic courses."

How does she square those two statements?

Hon. Miss Stephenson: Mr. Speaker, the statements we had from the headmasters through all consultations last spring and in the early summer of this year demonstrated very clearly that their position was that if the OSIS document were delivered early in the fall of this year, it would give them adequate time to plan for the implementation of the renewal program in September 1984. That was certainly the position which was translated and transmitted to the Ministry of Education.

3 p.m.

I do not have a copy of the letter of October 4 because the chairman of the council did not send me one. I would be delighted to see the letter, as a matter of fact.

Mr. Bradley: I would be pleased to provide the minister with a copy of that letter and also the comments of the central region of the

Ontario Secondary School Headmasters' Council. Will the minister undertake to provide specific written documentation, and will she show us in writing where the headmasters agree with what she says about the implementation of OSIS, because nowhere in writing have I seen the headmasters agree with her position?

Hon. Miss Stephenson: It is interesting to note that the honourable member has suddenly—did the member say the chairman of the central region, headmasters' council—

Mr. Bradley: I added that on. That is another group.

Hon. Miss Stephenson: The member for St. Catharines did not say that the first time. I shall be glad to try to determine where that is, if it is in writing, and I am not sure that it is, because most of this consultation was carried out around a table with headmasters, teachers and all sorts of people.

Mr. Allen: Mr. Speaker, I think the evidence is clear enough and the locations of the places of the statements that were made are clear enough. The member for St. Catharines has cited for the minister a statement of the chairman of the Ontario Secondary School Headmasters' Council of October 4, and he has quoted that quite accurately. The minister ought to have in her hands a resolution passed by the central regional organization of the headmasters' council in which it specifically indicates five very difficult areas in which they will have a great problem in implementation, and the northwestern headmasters' council has done the same.

Will the minister please table any documentation she has of any kind which indicates the headmasters at any time wrote officially to her saying they would be pleased to proceed in the fall of 1984 with that implementation? If she cannot do that, was she not misleading the House when she told me a week ago that was the case and they were agreed to that?

Hon. Miss Stephenson: Mr. Speaker, As I said, all the information which had been transmitted to me, all the information which I had heard directly on a verbal basis from the representatives of the headmasters' council demonstrated to me that they were supportive of that introduction. It is not necessarily wrong, but if there is a change of position, we did have consultation on a regular basis with groups of headmasters who expressed specific concerns. All of those concerns have been addressed. It is my contention that—

Mr. McClellan: Apologize.

Hon. Miss Stephenson: I do not have to apologize. That was the information.

Interjections.

Hon. Miss Stephenson: I did not mislead the House. The member for Hamilton West has no right to say I did because the information which was transmitted to me was in support of the position I presented at the estimates discussion. That remains a fact.

Mr. Speaker: The time for oral questions has expired.

If I may draw the minister's attention to my understanding of the question put by the member for Hamilton West, he did not indicate or suggest you were misleading the House. He asked a question, in effect asking you if you had misled the House and you replied quite amply to that.

Hon. Miss Stephenson: Mr. Speaker, may I simply say that asking a question in that tone implied to me he was suggesting that was so.

Mr. Allen: Mr. Speaker, on a point of privilege: I think I would want to insist, as any member of this House would, that all of us have a right to accurate information. That was the point of my question.

Mr. Speaker: Petitions. The member for Huron-Middlesex (Mr. Riddell).

Mr. Riddell: Mr. Speaker, just as a passing comment, I think the Minister of Education would make a good auctioneer.

Mr. Speaker: Never mind the comments.

PETITIONS

INFLATION RESTRAINT LEGISLATION

Mr. Riddell: Mr. Speaker, I have a petition which reads as follows:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

This was signed by teachers from the following schools in the riding of Huron-Middlesex: Centennial Central, Plover Mills, Caradoc North, Oxbow, McGillivray, East Williams, Biddulph-Lucan and Caradoc North.

Mr. T. P. Reid: Mr. Speaker, I have a similar petition. I will not bother repeating all the preamble. It is signed by a number of teachers from the following schools: Saturn Avenue, Hemlock, Rawn Road, Marks Street—my old alma mater in Atikokan—Sixth Street in Fort Frances, Sturgeon Creek, Burriss, and J. W. Walker, also of Fort Frances.

Mr. Newman: Mr. Speaker, I too have a petition to the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario. The petition is from 21 different schools in the city of Windsor. The schools are: Child's Place, Brock, Cavell, Coronation, Dougall, Eastwood, Forest Glade, Gilmore, Hetherington, King Edward, Marlborough, McCallum, Gordon McGregor, McWilliam, Oakwood, Parkview, Princess Ann, Princess Elizabeth, Roseville, Southwood and Taylor.

Mr. Sweeney: Mr. Speaker, I have a petition to the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario which reads as follows:

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

This petition is signed by 32 teachers from Meadowlane Public School, Lincoln Avenue Public School and William G. Davis Public School.

Mr. Haggerty: Mr. Speaker, I have a petition signed by 14 petitioners from Bertie Elementary School, Ridgeway, Ontario, as follows:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith

under Bill 100, the School Boards and Teachers Collective Negotiations Act."

Mr. Barlow: Mr. Speaker, I, too, have a petition signed by, I am told, 133 teachers from six elementary schools, including William G. Davis, and one secondary school in Cambridge.

3:10 p.m.

REPORTS

SELECT COMMITTEE ON THE OMBUDSMAN

Mr. Shymko from the select committee on the Ombudsman reported the following resolution:

That supply in the following amount and to defray the expenses of the Office of the Ombudsman be granted to Her Majesty for the fiscal year ending March 31, 1984:

Office of the Ombudsman program, \$5,473,000.

STANDING COMMITTEE ON SOCIAL DEVELOPMENT

Mr. Robinson from the standing committee on social development reported the following resolution:

That supply in the following amounts and to defray the expenses of the Ministry of Tourism and Recreation be granted to Her Majesty for the fiscal year ending March 31, 1984:

Ministry administration program, \$4,131,700; tourism development program, \$28,181,500; parks and attractions program, \$20,992,100; and recreation, sports and fitness program, \$57,327,100.

STANDING COMMITTEE ON REGULATIONS AND OTHER STATUTORY INSTRUMENTS

Mr. Kerr from the standing committee on regulations and other statutory instruments presented the committee's report and moved its adoption:

Your committee begs to report the following bill without amendment:

Bill Pr9, An Act to revive Roitman Investments Limited.

Motion agreed to.

Mr. Laughren: Mr. Speaker, may I present a petition?

Mr. Speaker: We have been through petitions.

Mr. Laughren: I know, but I was talking to the member for Riverdale (Mr. Renwick).

Mr. Speaker: All right. Do we have the consent of the House to revert?

Agreed to.

PETITION

INFLATION RESTRAINT LEGISLATION

Mr. Laughren: Mr. Speaker, this is a petition to the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario from the Education Centre and the Whitney Public School in the Timmins area. I believe the member for Cochrane South (Mr. Pope) is not in the House at this time, so I will present this petition on his behalf.

INTRODUCTION OF BILLS

MASSEY HALL AND ROY THOMSON HALL ACT

Mrs. Scrivener moved, seconded by Mr. Kerr, first reading of Bill Pr44, An Act respecting the Corporation of Massey Hall and Roy Thomson Hall.

Motion agreed to.

POWER CORPORATION AMENDMENT ACT

Mr. Di Santo moved, seconded by Mr. Samis, first reading of Bill 109, An Act to amend the Power Corporation Act.

Motion agreed to.

Mr. Di Santo: Mr. Speaker, the purpose of the bill is to set up a standing committee of the Legislature for the purpose of reviewing all aspects of the performance and policies of the corporation and to appoint one of the directors by the same standing committee of the Legislature.

ORDERS OF THE DAY

PRIVATE MEMBERS' PUBLIC BUSINESS CONTROL OF CROWN CORPORATIONS

Mr. Cunningham, seconded by Mr. Nixon, moved resolution 20:

That, in the opinion of this House, the government of Ontario should limit and control the growth of crown corporations and subsidiaries in the province of Ontario and make them accountable to the Legislature for the province of Ontario; and that all Ontario government agencies, boards, commissions, corporations and their subsidiaries should come under the direct control of the Legislature of Ontario; and that no new crown corporation or subsidiary or joint venture involving the expenditure of tax dollars should occur without the approval of the Ontario Legislature; and that every board, agency, commission, crown corporation or subsidiary should be subjected to the auditing provisions contained in the Audit Act of Ontario; and,

further, that all detailed financial transactions and budgetary matters of the aforementioned should be included in the budget of Ontario, and the Manual of Administration for the province of Ontario should apply to all of the aforementioned.

Mr. Cunningham: Mr. Speaker, I am going to ramble on for a little while and reserve the balance of whatever is left, if there is anything.

I have been awaiting this day for a long time, not necessarily to advance this particular resolution, but consistently when we draw in these lotteries, I seem to end up very low on the totem pole. Maybe it is fortuitous that that is the case.

My good friend and associate the member for Riverdale (Mr. Renwick) indicated to me in the west lobby that he would be unable to join me, but had he been able to join me, he would have supported me in this endeavour. Unfortunately, he is taking a lie detector test in the justice committee, and I am quite confident he will pass.

I beg the support of my honourable colleagues on this resolution, which frankly is something I have been thinking about for some time. I should say to all members of the House that I was prompted to sponsor this resolution as a result of comments that have been made on the subject of crown agency operations by our auditor in his last two reports. Those would, of course, be comments made by two independent auditors because we have had a new one appointed more recently. They have indicated in both the 1980-81 and 1981-82 reports that there are some concerns, particularly about the extent to which wholly owned crown corporations, and especially their subsidiaries, fell under the Audit Act.

I am assured by my good friend the Minister of Transportation and Communications (Mr. Snow) that all the subsidiaries of the Urban Transportation Development Corp. do report to the UTDC and that, in turn, UTDC reports to him. But those crown corporations and their subsidiaries do not report to the Legislature, to which I believe they are accountable.

It is my concern that in the past 10 years we have had a very extensive and rapid growth in the number of boards, agencies, commissions, crown corporations and their subsidiaries. Indeed, I do not think for a moment that it would be presumptuous to say there is not a member of the Legislature who could give an accurate number with regard to how many boards, agencies, commissions, crown corporations and subsidiaries there are. I do not necessarily say

that is a fault of any of us, but more a reflection on the fact that there is a large number of them.

Some would refer to this kind of phenomenon as the growth of government; some would refer to it as hidden government. In my view, it is often a form of government that is difficult to get at. I am not saying that every board, agency, commission and crown corporation is not worthy of our support. In fact, were we a little more aware of their existence and of the extent of their responsibilities and the good work they do, we might even be more supportive. But I would submit that there are growing difficulties with them.

I would like to quote from this year's auditor's report, page 105, where the Deputy Attorney General, through a letter to the auditor, advises as follows: "It is our view that there is some difficulty in characterizing the subsidiaries . . . you refer to as crown-controlled corporations. It is our view that ownership of the shares of the subsidiaries would be held to be vested in the parent corporations and not in Her Majesty in right of Ontario. This interpretation is not free from doubt," and that provision is, of course, always contained in an advice from the Attorney General. "I would recommend that the matter be clarified by an amendment to the legislation."

This is something I have raised in the House. I think the chairman of the standing committee on public accounts has made his concerns known. I believe, in general, that members of the public accounts committee have this particular concern. It is something that, frankly, I think should be addressed by way of legislation. In the absence of that, I am advancing this resolution today.

3:20 p.m.

On page 105, the auditor refers to some of the subsidiaries; for instance, subsidiaries of the Northern Ontario Development Corp. such as Minaki Lodge Resort Ltd., Minaki Development Co. Ltd. and Thunder Bay Ski Jumps Ltd. Subsidiaries of the Ontario Energy Corp. include Ontario Energy in Transportation Ltd., Ontario Energy Resources Ltd., Ontario Alternate Energy Ltd. and Ontario Powershare Ltd.—members may not have heard of that one; possibly they have—and the Trillium Corp. Then there are the subsidiaries of the Urban Transportation Development Corp. Ltd.: Metro Canada Ltd., Toronto Transit Consultants Ltd., UTDC Research and Development Ltd., UTDC Services Inc. and UTDC (USA) Inc.

I should add that many of us were surprised, if

not astounded, to see not long ago that a Conservative government—and the members of the Legislature had to read this in the paper—through the Urban Transportation Development Corp. arbitrarily acquired, if not nationalized, 80 per cent of Hawker Siddeley Corp. in Thunder Bay.

During the course of the estimates we can get into the minutiae of why that situation had to occur and just what circumstances on the part of this government led to what ultimately, I hope, is the protection of a few employees in Thunder Bay. But it is a very strange circumstance where the chairman of the UTDC can get up some morning, wander off, do as he merry well wants and ostensibly we, as members of the Legislature, are powerless in controlling that.

In the next week or so, as members of the Legislature, we are going to be requested to support some restraint legislation. I certainly support the notion of restraint, but I have some difficulty when I feel the object of the exercise in the program is to restrain those on lower incomes and the lowest-paid individuals in society, who may or may not be civil servants, while at the same time we allow this growth of boards, agencies and commissions to go on unfettered.

If we showed some leadership and could make the Legislature and our committees a little more relevant in this regard, we could find out where there are areas of waste. Perhaps the extent to which we have to be so miserly in this province would not be so evident in the payment of workers' compensation benefits or the manner in which we support those who would make application under family benefits or a myriad of very worthy causes. In part, I believe a little more discipline by those of us who are entrusted with the responsibility of power could see some very real improvement.

While the economy has been growing at a very slow pace, the growth of government continues to outpace it. Members might be interested to know that prior to the Second World War, for every person over 65 there were nine people in the work force. There were nine people working to assist someone over 65. As of today, that figure is one in three. For every person who is over 65 and retired, we have three people working to assist them. Of the three, I suggest one of them is employed by a board or agency within the civil service or within a crown corporation or its subsidiary. I do not know what that figure will be like by the time we get to 1990.

As legislators, we are required to make this

process more relevant. I believe that when we are entrusted with the powers of responsibility, our constituents expect more from us; they expect more from the process. They look at the televised proceedings in Ottawa with incredible disdain. If we televised the debates of this place, their feelings would be similar; they do not feel relevant.

Occasionally, as we are driving or flying back to our constituencies on weekends, we must feel not particularly relevant to the process. We see things going on that we do not like. We see the power vested in areas where we have no control. We feel that maybe for the course of the week we have not been particularly relevant.

In the past two or three years, unfortunately, we have seen the public accounts committee rendered impotent, almost absolutely useless, in terms of restraining waste and citing waste when we see it. This should be a meaningful committee for protecting the taxpayers' money, which is held in trust.

Today, we were treated to an unfortunate situation. For reasons I cannot understand, a referral to the Provincial Auditor of the matter concerning the member for London South (Mr. Walker) was denied—a referral even to the auditor.

I do not know what some members say to their constituents when they go home and they are asked why the Urban Transportation Development Corp. took more than 80 per cent of Hawker Siddeley Canada Inc. "Was there a vote on it?" "Did you know about all these boards, agencies and commissions?" "How could you describe or justify what the Globe and Mail columnist Mr. French writes today?"

I must admit he wrote with some humour about the interesting situation regarding the Board of Funeral Services and the Funeral Services Review Board. Until I read that column, although I knew there was one board, I did not know there were two. Certainly, I did not know what the distinction was. I still do not know why we need two. I really do not think anybody does.

Some cynical people say that these boards, agencies, commissions and crown corporations are often run by friends of the government. Of course, they are not elected; they are chosen. Some of the people who run them are unelectable, in fact. This has been the basic qualification for their appointment.

Mr. Kerrio: Create jobs for the old Tory horses.

Mr. Cunningham: That may well be.

What is our purpose here? We are not going to be able to continue to reach in and take more from the economy using the method we have. Maybe these reports will be reflected somehow in Ottawa at some time, but I sense, by virtue of the polls I read in the public press, that there may be a change of administration in Ottawa at some point.

Mr. Nixon: No.

Mr. Cunningham: It may happen. I have seen nowhere in the New Testament or the Old Testament that the Liberals are destined to run things forever up there. Should that change happen, I would suggest to my friends opposite that this money train that has gone on in the context of grants to the province may be curtailed. We may find ourselves in the sad situation where we are going to have to start to demonstrate some leadership with these crown corporations.

I am going to summarize and reserve the balance of the time. I beg the support of my colleagues. This is not some licence to get into something similar to what is going on in British Columbia, which I genuinely abhor. A division such as that which is occurring within one of our provinces is a terribly unfortunate situation, and it need not occur.

If we were to discharge our responsibilities as members of the Legislature, if we were to make our committees more relevant and bring these boards, agencies and commissions under the control and authority of the province to make them accountable to the Legislature—and I think of one agency in particular, Ontario Hydro—then we would be doing people a great service. We would reduce the cost of government; we would increase the efficiency of government and eliminate the need or minimize the extent to which we have to perpetually put our hands in people's pockets.

With those brief comments, I beg the support of my fellow members.

Mr. Cassidy: Mr. Speaker, I speak, among other things, as a recently appointed member of the standing committee on procedural affairs, which has some responsibility for reviewing agencies, boards and commissions and, presumably, crown corporations.

I have taken an interest in the subject for some time, and I think the concerns of the member for Wentworth North (Mr. Cunningham) are extremely legitimate. I certainly share those concerns, and I think all of us in this House should share them.

I have to say to the member for Wentworth North, perhaps with regret, that I personally cannot support the resolution as a whole. Some of the solutions that are offered are so constrictive and so constraining that the network of crown corporations, which we or any other Legislature has to have, would find it extremely difficult to operate effectively and to do what they are there to do.

However, if this debate provokes a discussion about how to ensure better accountability for crown corporations and for agencies, boards and commissions, it will have been valuable. For that reason, I thank the member for having put forward this notice of motion.

3:30 p.m.

I think all governments and all parties, perhaps with the exception of British Columbia, share my belief that crown corporations are a necessary means by which the public can intervene and can be involved in the economy to achieve social and sometimes economic goals that cannot be achieved, or are not being achieved, through the private sector.

It is certainly not only a left-wing solution. Canadian National Railways and Petro-Canada were inventions of federal Liberals. Air Canada and the Canadian Broadcasting Corp. were inventions of the Progressive Conservatives when they were in power back in the 1930s. Pacific Western Airlines was a Conservative invention, the Potash Corp. was an invention of the New Democratic Party, and the Urban Transportation Development Corp. and Ontario Hydro both came from the Conservatives at various epochs here in Ontario.

In the specific motion the member for Wentworth North has put forward, he says two things: first, there should be accountability—I want to talk at length about that—and, second, there should be control by the Legislature of crown corporations.

If there is to be direct control, then the government does run into the problem of effectively killing the concept of parliamentary accountability. I think we have to have a bit of both. I think it is probably unworkable in our parliamentary system to try to graft on to it what would amount to the kind of congressional system that exists in the United States, where various agencies and what we would call crown corporations do account directly to the legislatures in that country.

I think there is a mistake there. The member may be perhaps a bit blind to the actions of his federal Liberal colleagues. They have quite

specifically circumvented the kinds of things he says would be desirable in the course of this resolution. He says there should be no new crown corporation "without the approval of the Legislature." At the federal level, the Canada Development Investment Corp., which is the new maxi-corporation created in Ottawa a few months ago, was created without specific approval from Parliament.

He says every board, agency and commission "should be subjected to the auditing provisions contained in the Audit Act of Ontario." The federal government—the Liberals—specifically rejected that when it came to Canadair and other crown corporations.

He says all detailed financial transactions should be part of the budget, and the crown corporation should be subject to the Manual of Administration for the province. Surely that is not the case with the federal government.

I would have to argue that this is not just a matter of which party is which. I do not think one can ask crown corporations to operate like government departments. One of the reasons that all parties eventually supported the creation of a crown corporation for Canada Post was that the post office was not doing an effective job as long as it was trying to be run as a civil service department.

There is, however, no question of the need for accountability. The Auditor General in 1976 talked about the federal Parliament losing effective control of the public purse. The Lambert commission talked about a grave weakening and, in some cases, an almost total breakdown of the chain of accountability with respect to crown corporations, among other things.

The Management Board of this province said in 1974, "A general picture emerges of agencies as having been insular with a high degree of autonomy created in an unsystematic, ad hoc fashion, with a low level of interaction with other government activities and often funded without detailed scrutiny."

In the wake of that report 10 years ago, some action was taken by the government. There are sunset reviews every three or four years. The ministers have always had informal powers of influence over crown corporations. There are meant to be memorandums of understanding about the role of each crown corporation which are to be negotiated with the relevant ministry. Those memorandums, however, have been few and very far between. It was a good reform idea, but it has not been carried out in practice.

There is a very serious problem as regards accountability of crown corporations to government in this province, let alone accountability to members of the Legislature or the Legislature as a whole. I take, for example, Ontario Hydro. Hydro has become an instrument all on its own. It is hard to know whether the government is leading Hydro by the nose or whether Hydro is leading the government of the people of Ontario by the nose. Maybe they are each doing the same thing to the other.

Up in Arnprior a few years ago, I saw Hydro blow \$100 million on a dam that was not needed. It was offered as a kind of political promise by the chairman of the day to help get the member for Renfrew South (Mr. Yakabuski) re-elected. We now have Darlington, which is a \$12-billion investment, being built in large measure because in the last provincial election the Premier (Mr. Davis) thought he needed something to show the folks down around Oshawa that he was going to be worthy of getting re-elected.

That is not good enough. That is an irresponsible use of crown corporations. I greatly fear that Hydro, which has been a very fine, forward-looking and progressive crown corporation in Ontario, will come on the reefs of disaster because of the degree and the nature of political involvement and intervention with Hydro in respect of what it should be doing, which is providing power at reasonable cost to the people of Ontario.

There are very real problems there, but there are also real problems, as the member has pointed out, in the lack of accountability with respect to Ontario Hydro since the return to majority government.

We in this province had a model of accountability—which I am certainly aware does not mean we have control, but at least we can make agencies and crown corporations account for themselves—in the select committee on Ontario Hydro affairs. It did a damned fine job, but it was never able to finish its job before we moved back to a majority government in 1981.

Since the 1960s we have not had any other effective review of the work of most crown corporations, although the standing committee on procedural affairs is making a valiant attempt. But the procedural affairs committee is too little, too weak and too ineffective in being able to go through what we should be doing and providing the kind of accountability that the member for Wentworth North and I would like to see occur.

My time is beginning to run out but I want to suggest that there are one or two examples we could look at usefully. The British Columbia crown corporations committee—which had statutory jurisdiction, was a small committee and was appointed and sat for three years at a time, for the life of the BC parliament—is a model that would be useful for Ontario. Unfortunately, that committee has been disbanded as part of the actions of the Bennett government to destroy parliamentary democracy in British Columbia. That I regret very much, because it was the only effective model we had in the country, apart from our select committee on Ontario Hydro affairs, for accountability from and oversight over crown corporations.

Several things should be done that would be in the spirit of this resolution. I agree that where a new crown corporation is to be created, it should be by action of the Legislature. I think that when new subsidiaries are to be created, they should be reviewed probably by a crown corporations committee. If we were to have a crown corporations committee, it should be small enough that it could be collegial, like the public accounts committee and the procedural affairs committee; that is, where the members are able to develop an understanding and to work together on a basis that transcends to some extent their party affiliations.

There has to be a right to know. I do not think the auditing need necessarily be done by the Provincial Auditor, but I think the crown corporations need to report fully, their audits have got to be available and their strategic planning exercises, their plans for the future, have to be made public or at least made available to a crown corporations committee of this Legislature charged with reviewing what those crown corporations are actually up to.

I will close on this note. The federal Lambert committee recommended that crown corporations should adopt a strategic plan that included not just objectives and long-term goals but also short- and medium-term financial plans. Each minister should have the power to issue directives to crown corporations, but these directives should be tabled in parliament or made public. The commissioner to the public accounts committee or a relevant standing committee of parliament should have the automatic right to examine the annual report of crown corporations and to question the management and not just the responsible minister without having to seek consent of the government.

The Deputy Speaker: The member's time has expired.

Mr. Cassidy: Those proposals, adapted to Ontario's needs and funnelled through a crown corporations committee, would certainly be a start in ensuring more effective accountability for crown corporations in Ontario.

Mr. Kolyn: Mr. Speaker, the questions regarding government agencies that this resolution raises have been largely dealt with in the standing committee on public accounts. A number of valid points have been made in our committee, and I know full well that the government is aware of them.

The question of accountability was also considered with what I thought was general satisfaction as it related to both legislative and ministerial control. I do recognize that the topic of out-of-control agencies is a popular one for academics, the press and politicians. It is one that members on this side are as concerned about as anyone else.

3:40 p.m.

While we should maintain our vigilance and concern, we should also recognize that Ontario has the most comprehensive policy for establishing, administering and reviewing agencies of any Canadian jurisdiction, and that includes the federal government itself. I do not think there is a problem here that even remotely approaches the mess we have seen in Ottawa.

The fact there is one fewer agency in total as of September 30, 1983, than there was on December 30, 1982, goes a long way to showing that Ontario has been able to keep the growth of agencies under control. This is the second year in which the sunset review process has been used to determine whether specific agencies are continuing to serve useful purposes.

As the Chairman of Management Board of Cabinet (Mr. McCague) noted in estimates, 24 agencies were reviewed during the 1982-83 fiscal year and six of those were terminated. In this 1983-84 fiscal year, 28 agencies have been selected for review and in a few months we shall know how many of these things will be allowed to continue for a further defined period of time. Of course, this is only one way which has improved the control and accountability of agencies.

Another recent tool which our government has adopted is the memorandum of understanding which establishes financial and administrative arrangements between the agency and the responsible minister. Our memorandum also

clarifies the roles and responsibilities of both the minister and the agency, specifically addressing:

(1) Purpose of legislative authority of the agency; (2) roles of the minister and agency; (3) financial arrangements; (4) audit arrangements; (5) operating relationships; (6) administration relationships; (7) staffing requirements; (8) sunset review; and (9) reporting. These memoranda are required for schedules 1 and 2 operational and regulatory agencies.

Before I continue, it might be best to summarize for the record this government's agency policy, the general rules of practice for government agencies as set out by Management Board in section 25 of the Ontario Manual of Administration. Ontario agencies are placed in one of four schedules depending on their characteristics.

Schedule 1 agencies receive all or part of their money directly from the consolidated revenue fund and are the most closely related agencies to regular government operations. Examples of these are colleges of agricultural technology advisory committees, the development corporations, the Civil Service Commission, the Ontario Police Commission and the Ontario Economic Council.

Schedule 2 agencies are intended to be completely funded out of their own revenues, though money may be given for startup costs as well as for money-losing activities undertaken because of government policy demands. Well-known examples of schedule 2 agencies include the Liquor Control Board of Ontario, Ontario Hydro, Ontario Energy Board, Ontario Waste Management Corp. technology centres and Urban Transportation Development Corp.

Schedule 3 includes agencies which operate with public funds. They provide their own staffs and operate under their own management principles. Examples here are the Art Gallery of Ontario, CJRT-FM Inc., Workers' Compensation Board, Alcoholism and Drug Addiction Research Foundation and the Alcoholism and Drug Addiction Research Foundation Professional Advisory Board.

Finally, schedule 4 agencies are not subject to Management Board administrative policies and manage their own staff and administration. They include the Law Society of Upper Canada, the Toronto Stock Exchange board of directors and the Council of College of Physicians and Surgeons of Ontario.

Given the nature of many of these agencies, and in particular schedule 3 and 4 agencies, there is not one single sound argument that can

be made for placing them under the direct control of the Legislature. Likewise, the schedule 1 agencies are essentially ministry operations and their actions can be examined at the same time as ministers have their estimates.

Finally, there is a handful of schedule 2 agencies. These agencies are commercially oriented and in order to remain free to operate should not be tied down by this assembly. We have neither the time nor the expertise to do it. Everyone in this House is aware of the obsession of the member for Wentworth North with UTDC. As a schedule 2 agency, the legislation governing that corporation expressly states that it is not to be a crown agent or covered by the Crown Agency Act of Ontario.

Mr. Foulds: Why not?

Mr. Kolyn: That is not to say UTDC is not accountable to the Legislature. As the member opposite knows full well, UTDC is accountable to the Legislature through the Minister of Transportation and Communications. UTDC, as members of the procedural affairs committee know, governs its affairs in accordance with the memorandum of understanding as required by Management Board of Cabinet.

Both the UTDC president and the chairman of the board meet monthly with the transportation minister to report on all progress and activities. The minister can be questioned and has been questioned, both in the House and during estimates, on UTDC activities. In addition, UTDC is already covered by the Audit Act and should public money be appropriated for UTDC that appropriation must be approved by the Legislature.

As well, any of UTDC's obligations that are guaranteed by Ontario are subject to cabinet scrutiny and approval. UTDC's financial statements are also open to scrutiny and are published in the Public Accounts of Ontario. UTDC is audited by an auditor other than the Provincial Auditor. However, the Provincial Auditor has full access under the Audit Act to the audit reports, working papers and other related documents.

Mr. Cassidy: This is the most naïve speech the Legislature has heard for years.

Mr. Kolyn: As far as placing UTDC under direct legislative control is concerned, which I am sure the member opposite would want to see done, I believe we would be seriously limiting the corporation's freedom. UTDC has a mandate to compete in the world marketplace, which so far it has done. The imposition of

direct legislative control would seriously impair its freedom to operate both in the domestic and world markets. While the member opposite might be willing to shackle the corporation in this manner, I am not willing to see that happen.

For other agencies, the situation is similar. If the provisions of this motion were put into effect—

Interjections.

The Deputy Speaker: Order. To the member for Ottawa Centre (Mr. Cassidy) and the member for Port Arthur (Mr. Foulds), I distinctly recall the courtesy shown the member for Ottawa Centre.

Mr. Kolyn: If the provisions of this motion were put into effect, the result would be the destruction of the entire rationale for the creation of government agencies. That might be something the proposer of the motion would like to see but I sense this is not what most members want. I believe our current system of accountability and control is working well. Agencies are already under constant scrutiny, not only by the assembly and its committees but also by the responsible ministries, ministers, the Provincial Auditor and Management Board.

As I said at the beginning, Ontario has the most comprehensive policy for establishing, administering and reviewing agencies of any Canadian jurisdiction. We should concentrate on maintaining and improving that policy and not on destroying it, as this motion would do. I cannot support this motion.

Mr. Nixon: Mr. Speaker, I certainly have no hesitation in supporting the resolution. I feel the members opposite might very well give it more consideration than they have, or at least as has been indicated by the last speaker in support of present government policy. There is a feeling in this community that the agencies, boards and commissions are quite beyond the ambit of public control, and it does not have to be that way.

Many people in this House can recall when Ontario Hydro, for example, had as its vice-chairman a member of the government party. It seems to me that John Robarts and the Premier themselves began their rather tortuous political careers in this Legislature as members of the board of Ontario Hydro. That really meant that when these matters arose in the Legislature they could go to committee or rise in their places in the House and report directly from the board and directly carry back to the board the views

expressed by members of parties on all sides. I saw no problem with that procedure whatsoever.

The honourable member who just spoke from the government party might feel that was unacceptable interference with the freedom of action of the board of Ontario Hydro, but we are not so concerned about it being free of the kind of interference, if it might be called that, of having to respond to the wishes and views expressed by the members of the Legislature and specifically by the government of the day.

There was a time when, instead of being a crown corporation, Ontario Hydro was a commission and it functioned very well as far as reporting was concerned. This party, after considerable discussion, voted against the legislation which converted the Ontario Hydro-Electric Power Commission into the power corporation.

3:50 p.m.

It is interesting to note that even though the members of the New Democratic Party protest about it being out of control, they voted for the elevation of the commission into a corporation, in spite of the arguments cogently put forward at the time by myself and my colleagues that they were creating a monster far beyond public control. As a matter of fact, we predicted all of the problems we have seen occurring with the power commission even to this very day. It is another clear example that we were right and everybody else was wrong.

Interjection.

Mr. Nixon: Very good idea. As a matter of fact, I have read the reports of the standing committee on procedural affairs, based on its review of the agencies, boards and commissions it has had time to look at. The reports were quite good, but obviously the committee has other responsibilities, a very broad travel requirement and so on, and does not have sufficient time to undertake the continuing review of any significant number of these agencies.

I suppose there is a tendency for politicians getting long in the tooth to look at "what we used to do," but there used to be a standing committee on commissions which did nothing but call before it representatives of these various bodies for the kind of review considered adequate at the time. Frankly, it would not be adequate now because those committees really do require independent staff if there is to be a significant review of the commissions' business practices, goals and procedures.

I remember, as a member of the old committee on commissions, reviewing Ontario Hydro.

Of course, Hydro was then a provincial sacred cow. It was a commission, a member of the government sat on the board as vice-chairman and the wheels all turned perfectly. Our hydro rates were the lowest in North America and there was very little complaint about what was happening. All was right with the world. The hydro consumption grew at a regular seven per cent a year, we were doubling our hydro development every decade and that appeared to be cast in bronze or chiselled in stone and never would change.

On the occasion I recall, the commission took us out to the Lakeview plant and showed us all the puffing boilers and whirring turbines and then said, "What about lunch?" The commission thought that was an excellent idea and so did the members of the committee. A very fine time was had by all and we were able to report to the House that Hydro was working at its usual efficiency and the only thing perhaps added to the cost of power that shouldn't have been was the cost of the excellent steaks we had in the boardroom of whatever that place is where the four tall smokestacks are, west of Toronto—Lakeview.

Of course, much has changed. I was a member of the select committee chaired by Don MacDonald, along with the member for Fort William (Mr. Hennessy) or Port Arthur, one of those nice towns that used to be. Actually, I thought the committee did good work, but members will recall, while there were those who thought the committee should have been extended ad infinitum, the final report, in at least one of its minority manifestations, called for a continuing supervisory group in this House to which the board of Ontario Hydro had to report regularly. Among other things, they had to report all the significant outages and accidents so that by law these matters were given to the Legislature and for our information.

As a matter of fact, things are so tough at Hydro it even seems to be having trouble getting a chairman. It may be that these days they are paying the chairman only \$75,000 and I understand a civil servant working up here can get more money than that. If they are looking for a chairman, it seems to me they ought to look at Don MacDonald. We had some arguments in the committee about the profligacy of the committee's expenditures. As a matter of fact, I think we paid one lawyer close to \$400,000 before he went on to higher responsibilities, doing good work, but really only former Minis-

ters of Finance doing royal commission work at the federal level are worth that kind of money.

Don MacDonald is the sort of person who might work for the \$70,000. It is more generous than what the New Democratic Party caucus gives him. He would certainly bring to the commission an approach that would be very interesting. I would like to see him as chairman of Hydro defending the policy of power costs before a committee of this House. That is something we could certainly look forward to.

Mr. Conway: He will be chairman when there is an NDP government.

Mr. Nixon: No. That is not the sort of approach we take.

It is interesting to note that even with this supposed arm's length of the new power corporation, the government tells it what to do whenever it can think of something constructive. Members may recall that it was after the corporation was established that the Premier indicated that he thought it was time for a new headquarters for Ontario Hydro and that his friend Gerry Moog ought to get the contract without any tenders being called.

The alternative that was put forward, once again by the thoughtful segment of this Legislature, was that the Hydro board ought to move out of Toronto entirely. The fact that it is taking up the most expensive piece of real estate in downtown Toronto with this beautiful glass box is ridiculous. Its corporate headquarters ought to be out somewhere in Brant county or some other suitable location.

Even though the power corporation was supposed to be independent of government influence, we see the headquarters where it is. We know how it was financed, how it was built and who is making the profit from that decision. So they should not give us the naïve approach that because it is a corporation the government or the people supporting the government do not in many respects dictate the final policies.

The same is true of the other corporations. Most of them are not interesting or important enough to warrant the day-to-day supervision of anybody in government. My own feeling is that the best solution would be to revert to the position of establishing commissions that are directly reportable and responsible to this House. We represent the people and it is up to us by our majority votes to establish the goals of these corporations. It is up to the House to see that they are properly audited and staffed and accomplishing the purposes for which they were established in the first instance.

Mr. Foulds: Mr. Speaker, I would like to congratulate the member for Wentworth North for bringing forward this resolution. The question he brings before us is one to which I as a democratic socialist have had to give a lot of thought. It is one of the central questions before us as legislators in Canada where the crown corporation is so ubiquitous.

Certainly the question of accountability of crown corporations has to be one of the central questions facing a democratic socialist. The basic reason our party supports public ownership is because as a mechanism it is possible for it to be more accountable to the public generally than are private corporations.

The sad fact is that does not happen, either under Tory governments in Ontario or Liberal governments in Ottawa. The sad fact is both the Tory government in Ontario and the Liberal government in Ottawa have given public ownership a very bad name simply because they have not made crown corporations, agencies, boards and commissions accountable either to them or to the Legislature or Parliament they represent.

I do not think it much matters whether the formation is a crown corporation, commission, agency or board. The key question is that it must be accountable. The only defence so far offered by the government side is that the Management Board of Cabinet has categorized the agencies, boards, commissions and crown corporations into four categories and that it has control.

4 p.m.

This question has been bothering me for some time, and over the summer I had the legislative research service of the legislative library, which is as objective a group of people as one can get, do some work for me about strengthening the accountability of crown corporations. When it comes to Management Board, their report simply says:

"It has been suggested that Management Board, as it is presently constituted, simply does not have the capabilities to properly exercise this control function. Given the plethora of agencies and agency types and the limited staff at Management Board, the sketchiness of this policy is not surprising, though it does have significant implications.

"First, the main Management Board scrutiny of agencies focuses on fairly routine administrative concerns rather than on the more fundamental questions, such as whether certain agencies are doing a worthwhile job and whether they really need to exist as separate entities.

Second, 'small chickens' are perforce left pretty much alone.

"The classification procedure is a necessary first step in establishing accountability. In Ontario, however, the procedure may be weak for at least two reasons. In the first place, the procedure itself, including its definition by activity component, is weak and has led to a fairly sketchy policy. Second, because limited resources have been available to it, Management Board itself cannot scrutinize in a detailed and critical fashion the functioning of agencies."

Basically, there are two questions before us. One is whether or not there should be direct legislative control of agencies, boards and commissions, and the second is whether or not there should be government control. I would argue that in Ontario at least there is neither. There is no government control.

One only has to watch the Minister of Energy (Mr. Andrewes), who has been swaying in the wind for the last two weeks, to see just how vulnerable he is to the information given to him by Ontario Hydro and to hear how apologetic he is, to realize he has no direct control over Ontario Hydro. He is simply the minister through whom Hydro reports. He has been left dangling in the wind because of inadequate briefing and inadequate information and because Hydro has gone back to the secretiveness it displayed before the days of the select committee.

I would like to make four or five suggestions about mechanisms we could examine in a realistic and honest way to make crown corporations, agencies, boards and commissions more accountable.

First, for huge crown corporations like the Workers' Compensation Board and Ontario Hydro, there should be established a select standing committee on crown corporations, as in the British Columbia model. Ironically, the BC model that was established in 1977 has been done away with by the legislation Bill Bennett has brought in to curtail the growth of government. He has abolished that committee, and the staff was fired the moment Bill 21, I believe it was, was introduced in British Columbia. If we establish such a select standing committee to examine and review the major crown corporations, we would have a permanent review mechanism available to the Legislature.

Second, I think we need to have a beefed-up procedural affairs committee to conduct a review of agencies, boards and commissions so that it will get through that review in less than the 600 years it currently faces. At the latest count,

there were 782 crown corporations, agencies, boards and commissions which had been established by the government of Ontario.

Third, I think a permanent standing committee on energy to deal with Hydro would have some effect. As well, it does not seem to be unreasonable, with a huge corporation such as Hydro, that some kind of elective mechanism could be established so the board of directors of that corporation, which serves all this province, would democratically represent trustees from every corner of this province and they would not merely be appointed by government but elected much as local commissions are. Local hydro commissions are often elected. Why can the board of directors of Ontario Hydro not be elected from the various regions of the province? It is not beyond the wit of man if we put our minds to it.

Further, I think the principle of ministerial responsibility has to be established and accepted by this government. It has to be established in law that the minister is directly responsible for every agency, board and commission under his or her jurisdiction so that when questions are raised in the House, when legislation comes before the House, when scandals have arisen in public, the minister is directly responsible and cannot slough off that responsibility.

Next, there is the method of appointment, the patronage committee established under Ed Stewart, the Deputy Premier. The member for Brock (Mr. Welch) is not the Deputy Premier of this province; Ed Stewart, who is the deputy minister in the Premier's office, is the Deputy Premier of this province. As for the patronage committee, the appointments committee that appoints thousands of people, the Tories have established the Leninist cell system across Ontario through their appointments to all these boards, agencies and commissions. There is no Senate, so they have this method of rewarding their friends. I think that committee under Ed Stewart should be abolished.

Further, I think no system of accountability or mechanism will be effective in this province unless we have freedom of information laws, because one cannot make them accountable unless one has as a right of access to the information for which each of these boards, agencies and commissions has been established.

Next, I believe that as well as a strict financial audit as proposed by the member, there should be some mechanism of establishing a social audit. Is the commission or crown corporation performing a worthwhile social function as well

as a worthwhile economic function? It is not just a matter of dollars and cents; it is a matter of service to the people of Ontario. If we did that, would we not at least call a halt to the establishment of useless agencies, boards and commissions that are simply used as a Senate for retired or failed Tories?

I think if we took those seven or eight concrete steps I have suggested, we would be on the road to establishing accountability, but we cannot have accountability of those commissions unless we have a truly democratic government. When one has a government in power for as long as 40 years, one simply does not have that accountability. One has arrogance instead of democracy.

Mrs. Scrivener: Mr. Speaker, I am pleased to have an opportunity to comment briefly on the resolution proposed by the member for Wentworth North.

The topic he has chosen to consider is in its wider implications one of considerable interest to us all as members of this Legislature. I think it is fair to say that the question of financial control over various government operations also interests the public and members of the media. As has already been noted, that interest was sparked to a considerable degree six years ago when the then federal Auditor General, J. J. Macdonell, reported that "Parliament, and indeed the government, has lost or is close to losing effective control of the public purse."

However, over the years, revelations regarding loss of financial control, particularly those applying to government agencies, have tended to involve federal agencies, not those of the government of Ontario. For instance, on a recent trip to Ottawa with members of our public accounts committee, we witnessed sessions of the federal public accounts committee and the efforts of Auditor General Kenneth Dye to obtain information relative to CN Marine from representatives of the Department of Transport and Canadian National. Mr. Dye indicated his frustration that the chairman of CN had refused to provide him with the information he required. He expressed his concern, his worry about parliamentary control and "the impact on the reliability of government expenditures."

4:10 p.m.

Therefore, for this and other reasons which I will attempt to list, I find little in this lengthy resolution to support and much that I cannot support. In particular, I think the first sentence

in the resolution should be singled out for criticism, not just by members on this side of the House but by all members, since it leaves two very erroneous impressions. The first is the impression that for some reason or other the growth of government agencies in Ontario may not be under control. The second is that our provincial agencies may not be accountable to the Legislature.

While the proposer of this motion may not have intended this interpretation to prevail, I am afraid that some people would accept this as a statement of fact, no matter how erroneous it actually is.

Ontario is not in the position of having to face a situation of uncontrolled growth in government agencies or of a lack of accountability of government agencies. Far from it. The thought that agencies may not be accountable to this assembly is simply ridiculous. Any member who has served on any committee considering ministry estimates or the annual report of an agency knows better. Any member who has participated in the deliberations of our standing public accounts and procedural affairs committees knows that there are many opportunities for agencies to be made accountable for their actions.

To help us in these activities, this House through the Audit Act has created the office of the Provincial Auditor. Subsection 9(1) of that act states: "The auditor shall audit, on behalf of the assembly and in such manner as the auditor considers necessary, the accounts and records of the receipt and disbursement of public money forming part of the consolidated revenue fund whether held in trust or otherwise."

To suggest, therefore, that agencies should be made accountable to this assembly ignores entirely the fact that they are already accountable. The member for Wentworth North knows that full well.

The other proposal, that agencies should come under the direct control of the Legislature, defines the very reason for establishing those agencies. What the member opposite is advocating is direct political control over organizations such as the Law Society of Upper Canada, the police complaints board, the art galleries, the Royal Ontario Museum, governing bodies at universities, the Ontario Securities Commission, the Toronto Stock Exchange and the Ontario Board of Parole.

That is a very brief list of some of the agencies reporting to just seven government ministers, as set out in section 25 of the Ontario Manual of

Administration. It would also include the boards of directors of various health professions, the Ontario Human Rights Commission, the Ontario Police Commission and the Civil Service Commission.

The agencies of this government have in many instances been created with the main aim of establishing their autonomy and removing them from direct political control and the departmental structure of government ministries. Placing them under direct political control would violate one of the very important reasons they were established as agencies in the first instance.

While this resolution can be opposed solely on principle, it has other major weaknesses, weaknesses that relate to practical considerations. As members know, this Legislature can devote some 16 hours per week to business after allowing time for question period. There are several hundred agencies of record. Even if we were to spend no more than an average of one hour considering or controlling, as the member for Wentworth North would have it, the activities of each agency, an additional 17 weeks, or more than four months, would have to be added to House sittings.

To exercise this control function, each participating member would be required to read 16 background papers each week over that 17-week period. Even then I doubt very much if we could really exercise any form of control over an organization to which we could devote only one hour of our time per year. The imagination boggles at the notion of maintaining control in such circumstances. It is ludicrous, to say the least.

To conclude, I would re-emphasize the fact that we as members already have an efficient system at our disposal to ensure the accountability of our government agencies. Let me remind members that we have the public accounts committee, the Provincial Auditor, the procedural affairs committee, the ministry estimates and the annual reports of agencies, which can be examined. Very clearly, additional mechanisms are unwarranted. The suggestion that we need them detracts from the very good work of all members of this House who participate in the process.

Mr. Kerrio: Mr. Speaker, I would like to question the time I have. Could that be shared with me?

The Acting Speaker (Mr. Cousens): You have 10 minutes.

Mr. Kerrio: I was not sure if we had eaten into that time. Thank you very much, Mr. Speaker.

I am certainly pleased to join in this debate regarding the motion of the member for Wentworth North. This particular private member's motion has been criticized by members on the government side. After 40 years of convincing themselves that all these great and wondrous things that have grown out of the Tory government should be protected at all costs, that attitude is shown on every issue of any consequence when we want to bring various boards, commissions and other children of this government under public scrutiny.

While I am not going to touch on too many of these boards, two or three come to mind immediately. I suppose it is because those are the ones that have abused the system in the greatest degree. I suggest, at the outset, that while the government has supposedly risen above having these boards and commissions dealt with here in this assembly, it has not removed that discretion from the Conservative government.

The member for Brant-Oxford-Norfolk (Mr. Nixon) has proved that beyond any question. When the Hydro building was going to be built here on one of the most expensive pieces of real estate in all of Ontario, it seemed that Hydro did not really make that decision. It was strictly a political decision of the very first order. I do not think anyone with any integrity would question where that decision was made. It was there for all of us to see.

When we talk about management and whether the public is being served, that also brings to mind that the moment Hydro moved to its new building one would have thought there would have been a tenant for the old building. That was not so. The other building Hydro vacated was vacant for a good number of years. Certainly, that is not what I would consider the kind of management this government continuously beats itself on the breast about and talks about as one of the wondrous things of Tory government for all these years.

Those things are generally forgotten quickly and, in fact, they are supposedly elevated to a position where we should not criticize them because they should not be political involvements. They have been removed from this arena and we should not have anything to say about them.

When the government on that side, I believe it was in 1975, decided that Ontario Hydro had taken off and was running at a tremendous rate

to what appeared to be very foolish executive decisions, the then minister, Darcy McKeough, pulled that big lever and put the brakes on Ontario Hydro. If that is not interference of the kind that, one might say, brought that huge machine to a slower pace, I cannot imagine having any more influence on a corporation than having the government decide it would slow it down.

In reality, what has happened to the members on this side is that the government over there has been able, in one way or another, to convince the public that it does not want some of these boards and commissions to be used as a political football. On the other hand, it certainly wants to maintain a position where it can pull the strings and have those various boards, commissions and all of those other entities, what some people refer to here as the Senate for tired Tories, function.

4:20 p.m.

We on this side, when we ask for more accountability, have good reason to do so. Today, we had Lawrence Solomon from Energy Probe appear here to suggest that the results of a poll show the public out there has now become aware it is time we had public accountability by Ontario Hydro.

The fact is that Ontario Hydro, in one way or another, frightened the people and held a bludgeon over their heads, saying we were going to have blackouts, brownouts and all sorts of terrible things if they were not given a full mandate to go ahead and do whatever they chose. It has actually resulted in what we see now: a giant bureaucracy grown beyond any kind of accountability—not control, because I think it has been proven that it is controlled by the Tory government—to the Legislature and the people of Ontario.

One might quarrel with some of the people who would recommend a private corporation. I am not suggesting Hydro should be a private corporation; however, a private corporation has to report to its shareholders, the shareholders can attend at meetings and those people who hold enough shares certainly do have an influence on how the company is run.

Most of the people in this province think Ontario Hydro is an entity that is owned by the citizens of Ontario in one fashion or another. Such is not the case. The fact is that under the Power Corporation Act, Ontario Hydro has to answer only to a board of directors that has been chosen by the Progressive Conservative government. In this way, it very effectively gets

around any kind of mandate that it should really respond and answer to the so-called owners of that corporation. It is one of the very few cases in any kind of involvement in which this does not happen and where they are not accountable to only a very select few of some 12 board members and a chairman of the board.

We often talk about the Tennessee Valley Authority. This is one of those huge generating companies in North America. I suggest it is one of the very few that might be compared to Ontario Hydro. Its board of directors is chosen by participation by both parties in the jurisdiction. The Democrats and the Republicans in their assembly choose the members of the board.

It is about time the people of Ontario were taken into account and given some kind of decision-making role when it comes to choosing those people who should sit on the board. It should be more representative of people across Ontario and not the political football which the Tories have made it, strictly a one-party political football. There is just a little difference.

Many things come to mind when we talk about Ontario Hydro and the grossly unfair position it is able to obtain because of the Power Corporation Act. I can think of a situation where Ontario Hydro can appear before the Ontario Energy Board, make a presentation to the Ontario Energy Board and not have to abide by the decision. The Ontario Energy Board could recommend an increase in rates of 6.3 per cent and Ontario Hydro could decide, on its own, that it was going to go for 7.8 per cent.

The fact remains that when one puts any kind of an agency into competition with other energy distributors of any kind, it should have to play by the same set of rules. Such is not the case with Ontario Hydro. It is not only not accountable to this Legislature; it is not accountable to anyone.

I can think in terms of another situation where there was going to be province-wide bargaining for the construction trades. Ontario Hydro is one of the biggest employers of the construction trades, but it did not have to meet the criteria that all construction people across this province were obliged to meet.

One can see that Ontario Hydro, in the first instance, is not really a corporation that answers to its shareholders. It is not accountable to this Legislature. It is strictly an offspring of the Tory government, and all of the members over there, I am sorry to say, are apologists for a situation that should have been corrected before now.

When a resolution is put before this Legisla-

ture that has as much going for it as this one has in making Hydro accountable, it is a real disappointment to me that we are not getting more support from the government that initiated Hydro in the first instance. I hope they will reconsider and support this resolution.

Mr. Cunningham: Mr. Speaker, initially I would like to say in very brief rebuttal that the suggestion by the member for St. David (Mrs. Scrivener) that my resolution is an intention to cause us to interfere with the judicial process or to supervise the activity of the courts or parole boards demeans what I think is a rather sincere resolution. In fact, it is one of the silliest suggestions I have heard in my eight years in this place.

I appreciate the remarks made by my friends to the left. The member for Ottawa Centre has certainly spent a great deal of time and effort. I believe constructively, endeavouring to examine the functioning of crown corporations, which I believe have a genuine purpose in government today.

It is not my suggestion for a moment that we should wipe them out holus-bolus. But as might have been said by our former Treasurer, now the Minister of Industry and Trade (Mr. F. S. Miller)—and he is a man for whom I have a great deal of respect, although I did hear about some of his encounters in cabinet, which may have bothered him occasionally—the bottom line is accountability. If an agency, board, commission or crown corporation is funded directly or indirectly by taxpayers' money—money collected by our Treasurer—then it is responsible to us in some way or another, and we should be able to make it accountable to us. Simply put, the current process is not functioning.

Unfortunately I see that the member for Lakeshore (Mr. Kolyn), a three-time unsuccessful federal candidate, is still preoccupied in his remarks with Ottawa. I say to him that the current process is not working. It is not working when the Treasurer (Mr. Grossman) or the Premier of Ontario finds himself driving down in a car either from Brampton or from Forest Hill and reads in the paper that, unbeknownst to him, the Ontario Ministry of Transportation and Communications, overseeing the Urban Transportation Development Corp., is authorizing or permitting the taxpayers' subsidization of some yacht club outside Kingston called the Loyalist Cove Yacht Club and that they are subsidizing the memberships of senior executives of UTDC. What abject nonsense.

The member said that of course UTDC has

monthly meetings with the minister. Why then, during the course of those meetings, did the chairman or the president of UTDC not take the minister into his confidence and say, "By the way, Jimmy, we are into this yacht club thing"? The minister did not know about it until the deal was signed, sealed and delivered six months after the fact, and that is a matter of record.

When the Premier picked up his *Globe and Mail*, by the time he got to the outskirts of Brampton he must have fallen off his pipe to see that kind of activity, because in my heart I do not believe the Premier would condone that kind of activity.

Considering the conduct of some of these crown corporations, the members over there are giving socialism a bad name. They really are. Their colleagues in Ottawa—whether it be Mr. Huntington, who spent a great deal of time in his previous capacity as chairman of the public accounts committee, or even the new leader—would be attracted to the logic of this motion, not because we want to do a hatchet job on every board, agency, commission or crown corporation but to make them accountable.

I made reference specifically to page 105 of the public accounts report that was favoured to us last year by our Provincial Auditor, who has quoted the Deputy Attorney General as feeling that there is a legal deficiency in the reporting process of the subsidiaries of the crown corporations. I raised it here in the Legislature. The auditor was sufficiently concerned that he raised it and his predecessor raised it. I do not think we could be characterized as being particularly partisan in this regard. I am merely quoting what the Deputy Attorney General said in the context of the legality of these arrangements.

I am glad we were able to hear the contribution of my friend from the Thunder Bay area, who mentioned that we had 732 of these things, because frankly I did not know that. I suggest that you probably did not know that either, Mr. Speaker.

4:30 p.m.

The member for Lakeshore spouted on about the Urban Transportation Development Corp. Perhaps he missed an article that was in the *Toronto Star* yesterday. I briefly quote the comments from Mr. Foley:

"So what do you do with it now? I'm not so sure that UTDC has to be owned by the Ontario government. It's a philosophical question. Has it grown past the point where it needs public involvement and should be sold?" And if it has,

he said, "Who do you sell it to?" I would ask, who would buy it?

"The issue of public ownership is a real question for us," he said. "It needs to be debated. I haven't got a 'for sale' sign hanging on the door but I'm not so sure I shouldn't."

Perhaps the member for St. David missed that in the *Toronto Star* yesterday. If she did miss the article, she would have missed one of the concluding parts of the article where it quotes Mr. Robert Abrams, formerly the number two individual with the Urban Mass Transit Administration, which paid for up to 80 per cent of those transportation projects the Premier is fond of bragging about that we have in the United States.

He says in this article: "There is no interest here in the United States for it at all ... Nobody's even asking for bids on it. It's terribly complicated and really not well designed. No one is going into these unproven things because they're too elaborate."

We have a preponderance of these boards, agencies and commissions. To paraphrase my friend the member for Renfrew North (Mr. Conway), we have more of these boards, agencies and commissions than we have deer in Algonquin Park. The time has come for us to start to discharge our responsibilities as members of the Legislature to the people who elect us and give us their trust, who expect we are going to deal with this stuff, whether it is the fiasco involving the member for London South (Mr. Walker) or the difficulties I have described with the Urban Transportation Development Corp., and bring these things under control.

If everything is hunky-dory, we have nothing to worry about. I sensed in the remarks from the member for St. David that she was somewhat concerned about us working a little longer. I do not know what is wrong with that. Perhaps we should sit an extra six weeks longer, or the odd evening, to deal with these boards, agencies and commissions. I can think of a number of things both she and I would like to see on the agenda of the public accounts committee. But instead it would appear that some members around here, because the place has become so irrelevant, are more concerned with the soup of the day than with protecting the taxpayers' money.

AUTOMOTIVE TRADE

Mr. Wrye moved, seconded by Mr. Newman, resolution 18:

That in recognition of the importance of the automotive industry to the economies of Ontario

and Canada, of the vital necessity of preserving the more than 100,000 jobs in the national industry and of the pressing need to realize the 40,000 direct and 90,000 indirect jobs which could be created by adopting a new automotive trade policy, this House endorses the recommendations of the report of the federal Task Force on the Canadian Motor Vehicle and Automotive Parts Industries and urges the Parliament of Canada and the legislative assemblies of the other provinces to do likewise; and, further, that this House recommends that the government of Ontario, as an indication of its willingness to share the costs as well as the benefits of a restructured industry, should institute an automotive industry assistance program to be administered by the Ontario Development Corp., with the aim of providing low-cost capital to Ontario companies in this sector.

Mr. Wrye: Mr. Speaker, I will reserve whatever time I have left.

I am pleased to offer this important resolution to the House today for its consideration. It is long overdue that we, the elected representatives of the people of Ontario, speak out on this critical matter for the future economic well-being of our province and our country.

If the issue today is jobs, then this resolution speaks to that issue. It speaks to the preservation of present employment in the auto centres of Ontario, and it speaks to the creation of new employment in those sectors and elsewhere.

If the issue today is technological change, then this resolution speaks for Ontario's auto industry being on the leading edge of that change. Yesterday, I had the opportunity to tour Windsor's rebuilt Chrysler assembly plant, the one assembling the so-called van-wagon. What was so impressive about that tour was to see the extensive use of state-of-the-art robots and all the other technological firsts in that plant. This resolution speaks of continuing and expanding that initiative.

It might be useful to review the critical recommendation contained in the report entitled *An Automotive Strategy for Canada*. Before doing so, however, I want to remind members of the assembly who might not be as familiar with the makeup of the task force as those of us in automotive centres in Ontario that this unanimous recommendation came from a group of individuals with the widest of backgrounds and with the most divergent of constituencies.

Most of us have spoken of the need for a new climate of co-operation, for a new dialogue between business and labour. The so-called

White-Lavelle report represents a breakthrough in such dialogue. The critical recommendation of the report, the one still being considered by Ottawa, is this:

"The task force recommends that the government of Canada pursue a trade policy that will require all vehicle manufacturers who sell vehicles in the Canadian market to make binding commitments comparable to the commitments now being made by the vehicle manufacturers operating under the automotive products trade agreement.

"A step-by-step arrangement and an effective compliance procedure must be developed by the Canadian government that will ensure that these comparable commitments will be fulfilled by 1987.

"For those vehicle companies already manufacturing in Canada under the APTA, the existing compliance procedure will remain in effect. However, once a comparability of commitment has been achieved by all vehicle manufacturers selling in Canada, then the government of Canada should negotiate an agreement with all vehicle companies to increase the level of minimum commitments to the Canadian economy.

"As part of this new trade policy, incentives should be established to encourage the further development and expansion of a world-competitive indigenous Canadian automotive parts industry."

That is the recommendation which has caused so much controversy and which has been attacked by a number of sources as being self-serving and half-baked in its conclusions.

The *Financial Times*, for example, weighed in with this comment: "What the task force delivered was a recommendation that Ottawa initiate protectionist trade measures to shield the industry from Japanese competition."

The Japanese Automobile Manufacturers Association went even further. In its reply to the report, it said: "The underlying purpose of the task force proposal is a thinly disguised attempt to restrict Japanese imports in the Canadian market. The effect of the proposal would be so harsh against Japanese imports that the intent to discriminate against can be inferred."

There is a certain irony to such a reaction. The Canada-US auto pact, while not without its difficulties, has always been hailed as the model free trade agreement between two civilized countries. Along comes the task force and says in effect, "We believe that the 60 per cent Canadian content rules adhered to by compa-

nies based in the United States should be extended to all companies selling cars and trucks in Canada." Immediately there are cries of protectionism and a suggestion that this dastardly proposal is an attack on the Japanese for their efficiency.

Such a view makes no sense. Why is there one set of rules for American companies that have about three quarters of the market and a completely different set of rules for those that have the other 25 per cent of that market? Quite frankly, we in Canada have been the international boy scouts of the world for long enough, and this recommendation and the resolution before the House today simply says, "Enough is enough."

I rather liked the analogy that Bob White, Canadian president of the United Auto Workers union and co-chairman of the task force, offered on this matter at a press conference in Ottawa last May. Said White:

"When the game started in 1965, there were only a few players at the poker table. Over 18 years, the number of players has changed. Some new fellows came along and asked if they could sit in. When you remember the billions of man-hours invested in our industry by Canadian workers and the billions of dollars invested here by the manufacturers, it becomes a little hard to accept that kind of approach. You buy your chips to play poker. You don't have them handed out for free."

I happen to support Canadian content on television and radio, in movies, in our oil and gas business and in military contracts, and I believe we must have such content in our automotive sector—not just in part of it, but in all of it.

In case we do not take this matter seriously, let me tell members that without content or quotas—and I certainly do not view quotas as the preferable option—Japanese imports could control up to 50 per cent of the North American market by 1990. That means jobs all right—jobs in Japan, and unemployment in Windsor, Oshawa, Oakville, St. Catharines and, indeed, throughout this province where more than 100,000 people look to the automotive industry for a living.

4:40 p.m.

In offering this fair trade policy, we would not be taking a step in Canada that has not already been taken the world over. France, Italy and the United Kingdom all limit Japanese imports to 10 per cent of the domestic market. West Germany has a gentleman's agreement with the Japanese and the list goes on and on.

One of the most interesting developments has been the Japanese reaction to legislation introduced in the US House of Representatives by a New York Democrat. The very threat raised by the introduction of such a resolution has brought about \$1 billion of Japanese investment and the creation of some 26,000 jobs. That is what this issue is all about.

I want to deal with the issue of costs to the Canadian consumer before I turn to the question of Ontario's role in seeing this recommendation is implemented and the province's commitment to an expansion of the auto industry. There has been a suggestion that compelling those who sell in Canada to invest in Canada will somehow make the total automotive market less competitive and will limit consumers' choices in motor vehicles.

On the latter point, the task force has proposed a modest exemption for those importing a small number of vehicles. For the remainder, however, it is their choice. It is hard to imagine, for example, that the Japanese, with a potential market of more than 200,000 vehicles per year in this country in return for an investment in it, will choose not to play by our rules.

The other argument on price is more dangerous for it seeks to divide Canadians from what should be our common purpose as legislators and citizens. That purpose is employment for every person who wishes to work, and the auto sector offers a great potential for that new employment.

The Japanese auto manufacturers, in their rebuttal to the task force, raised the spectre of huge price increases, warning that the sticker price of a Japanese car could rise by at least \$4,500 and that under the artificial umbrella of domestic content requirements the North American auto makers will become less efficient, less responsive to consumer demands and, finally, less competitive in the marketplace.

Recent history indicates little foundation for these concerns. The report itself points out that since 1981, when Canada had voluntary import restrictions on the Japanese, the prices for passenger cars, including full-size cars where the Japanese do not compete, has risen at a much lower rate than the Canadian consumer price index. The reason: fierce competition in the marketplace and reduction of costs through rationalization. It could be argued that the immediate reduction in Japanese car prices by an average of \$600 through the removal of import duty charges will offer to the Japanese

another advantage and will force the North American auto makers to respond.

But even if we were to agree with the Japanese analysis of the consumer price effects of protection—and I do not—it conveniently overlooks the important aspect of economic policy in the automotive sector. That aim should not be simply to minimize consumer prices. It should also be to achieve the fullest possible employment and the greatest growth in our ever-changing world economy.

That is the goal of our economic policy in the automotive sector and it is one we should never forget. We are not just talking about car assembly, we are talking about many other sectors with vital interests in this matter. We are talking about steel, rubber, plastics, textiles, glass and aluminum, to name but a few.

I want to turn to Ontario's role in this debate and the commitment it must make to make implementation of the report a reality and to ensure that we get our fair share of the benefits of a fair trade policy. I want to begin by congratulating the new Minister of Industry and Trade (Mr. F. S. Miller) for some of the initiatives he has taken. In my view, the minister has shown a sensitivity towards this important issue that has been all too lacking from this government in recent times.

But I warn this government of a major area it has overlooked. It is fair, I believe, to suggest that the national policies implemented in Ottawa must provide a balance for the diversity of views throughout this country. There is no doubt that the provinces of Canada are not speaking to Ottawa with one voice on this matter.

The time has come for the minister, indeed for the Premier (Mr. Davis), to take the initiative. This report and its key recommendation must be sold in western Canada. To that end, I believe a few phone calls from the Premier's office directed at his political counterparts in western Canada would be most appropriate. I might suggest the Minister of Industry and Trade might head out of town on a new trade and sales mission and that he take his message on this issue to Regina, Edmonton and Vancouver.

Ottawa knows the views of Ontario and it is reasonable to suggest there is much sympathy for those views in Mr. Lumley's office. But there is little sympathy in Mr. Bennett's, Mr. Loughheed's or Mr. Devine's offices.

I want to say to the minister and the government that this is our Crow rate issue. Let their voices be heard and their persuasion be directed at those parts of Canada that have reacted thus

far in a negative fashion to this proposal for a fair trade policy in the automotive sector.

Let me now turn to the second part of the resolution, to the challenge facing Ontario to put its money where its mouth is, to indicate we are willing to put some of the short-term cost for the long-term benefit of a fair trade policy whose major recipients will be the workers of our province. While there must be an overall commitment from the national government, we have a crucial stake in the future health of the industry right here in Ontario.

I might say again that I am encouraged when I hear the Minister of Industry and Trade speak, as he did in remarks in my community in mid-September, of a proactive investment incentive program for the industry. The minister indicated such an initiative is being actively studied. It is long past due.

Let me begin by suggesting that a recommendation rejected by Ottawa may be appropriate for Ontario. I believe an office of automotive affairs should be established right here in Toronto, perhaps at the assistant deputy minister level, to help co-ordinate responsibilities from this province in the auto sector and to deal on an ongoing basis with the auto companies, the auto parts industry and indeed with the automotive section of the Department of Industry, Trade and Commerce in Ottawa.

We have failed thus far to recognize this industry for its importance to our economic wellbeing in Ontario. Indeed, the funding of the automotive tech centre, for example, is the only Board of Industrial Leadership and Development money specifically and solely targeted to the auto industry. Its five-year funding is only \$14.5 million—less than one per cent of what the government claims will go into BILD from all sectors over the next five years. The centre's funding is less than that of any other tech centre except for farm equipment.

It is also interesting to note that transportation was one of the six priority areas under BILD, but of the total projects in that sector as of February this year not one dollar is automotive-industry related.

In the last 13 years, the total amount of assistance going to companies in the automotive sector is, to use the words of one information officer at the Ontario Development Corp., not a significant figure. Indeed not; our research shows it has amounted to 132 loans for a total of \$28.5 million. Even then, those loans helped create more than 7,000 jobs.

To be fair, these figures do understate the

case in that the total does not include supplier groups to the industry who may have fallen under another category. But it can be safely argued that the ODC aid to the industry has fallen far short of matching the industry's key role in our economy in Ontario.

My resolution proposes that this be changed. We must make a commitment now to provide capital at low cost to the auto manufacturers and the auto parts sector for expansion, indeed for new plants, to ensure that we get our share of the new technology, to ensure that we get our share of the research and development component and, finally, to ensure that our industry is internationally competitive.

Last year, for example, capital expenditures in the industry were 59 per cent lower than in the two previous years. This is a trend that must be reversed now.

It is my view that the lending activities of the ODC and the parts industry should be limited to Canadian-controlled parts manufacture. By doing so, we will fulfil the objective of having Canadian-controlled business in the manufacturing sector, of stimulating indigenous research and development, of encouraging a more sophisticated domestic entrepreneurial group to develop and, most important, of providing more jobs for skilled workers.

Whatever direction we ultimately take—and I know there will be philosophical differences between the parties in this Legislature—we must move quickly. Just as Canada should no longer be the international boy scout in its trade policies, Ontario must end its attitude of accepting a free ride to the new technological era. There is no free ride. With no investment, there will be no return in tax dollars, technological sophistication or ultimately in jobs.

I want to conclude my remarks on a note of national unity to show that throughout this country there are many people who understand the potential impact of the strategy proposed in the automotive task force report and to urge once again that this government use the adoption of this resolution as a springboard for a fall offensive for Ontario and its people. Let us get out and sell this fair trade policy in every province of Canada and in every corner of Ottawa. We need a domestic sales job now and this resolution offers that opportunity to us.

4:50 p.m.

Shortly after the release of the report, the Victoria Times-Colonist wrote an editorial about it—a courageous editorial when one remembers that opposition to the task force proposals is

nowhere stronger than in British Columbia. Said that newspaper:

"Canadians should not be frightened by the threat of retaliation against Canadian exports. Canada is the seventh largest car market in the world; Japan has about 25 per cent of that market. That is a lot to lose in any trade war. Canadian car makers would happily fill the shortage and the Japanese know it. They also know that they would have to start shopping around the world for the raw materials so essential to their industrial strength."

The editorial concludes on this note: "If we accept the statement by the BC lumber industry that its prosperity rests to a remarkable degree on housing starts in the US, perhaps we should remember that unemployed auto workers are not good candidates for buying homes."

That is what this proposal is all about. That is why Ontario should make its voice heard all over the country in favour of the report and with a commitment to ensuring that it will make its own investment to make fair trade a reality.

Mr. Cooke: Mr. Speaker, first of all, I want to congratulate—this is very difficult for me—the member for Windsor-Sandwich for bringing forward this resolution, which to some extent is similar to one I introduced a couple of years ago but takes out the parts that the Liberal Party is philosophically opposed to.

Mr. Braeugh: Somebody gutted that resolution.

Mr. Cooke: Yes. The important aspects of my resolution have been removed, but none the less the motherhood aspects of my resolution have been reintroduced and therefore I will be supporting this resolution with—I was going to say great enthusiasm—some enthusiasm.

The perception of the problems in the auto industry by a great number of people in this province, and a great number of people in this government that we see every day and that has governed this province for 40 years, is that many of the problems have gone away. The reality of the situation is that the problems and the crisis in the auto industry are as difficult today as they were two and three years ago.

Some of the plants have called people back to work, but when one talks to companies like Chrysler Canada they will say they have no one on unemployment or layoff, while the reality is that a great number of them have lost their recall rights and their seniority rights, and the number of jobs has vastly decreased in the automobile sector in the last number of years.

I do not want to spend a great deal of time

talking about the Japanese import problem because I think all of us here in the Legislature understand that problem and agree that in terms of Ontario's economy, action simply has to be taken. What I would like to do is spend a little time talking about history and why the auto task force at the federal level not only addresses the Japanese and offshore import problem, but also addresses the North American automobile problem as well.

In 1970, 70 per cent of the auto parts imported by the United States came from Canada. In 1979, the last year for which I have figures, that was down to 43 per cent. Now over 50 per cent of the auto parts that are imported into the United States for assembly come from countries other than North American countries, other than Canada. Most of those auto parts, a great number of them, come from Japan. Some come from Mexico, Argentina, Brazil, South Korea—all over the world.

The auto report produced by this government and released just before the last election predicted that these trends will occur and that they will continue to occur without government action; and these predictions have come true. Many jobs have been lost in the auto parts sector as well as in the assembly sector. The reality of the world car is here today. Unless action is taken at the federal level, the Big Three—General Motors, Chrysler and Ford—will continue to source abroad more and more of their auto parts for assembly that formerly were built here in Canada.

They will now import those from offshore countries. That means not only loss of jobs, but loss of hi-tech jobs, research and development and a great deal of Canadian value-added, because much of the wealth that is created in the auto industry is in the auto parts sector. The implication of the federal government's lack of action in response to the auto task force is simply, in the next 10 or 20 years, virtually the end of the auto industry in Ontario.

I have some difficulty with a resolution such as this being put by a member of the Liberal Party because the action needed to be taken can clearly be taken by the Liberal government in Ottawa. All they need to do is accept the auto task force report put together by both industry and labour.

I think one needs to look back at some of the commitments made in the past by the Liberal Party, by Mr. Trudeau and by our own home-grown Mr. Gray. I refer specifically to a speech written by Mr. Gray and made by Mr. Trudeau

on February 14, 1980, in the city of Windsor. I have forgotten the day of the election that year but I think it was the last week before the election. He came in a few days before the election.

Let me just take a few quotes from Mr. Trudeau's speech in Windsor. He said, and I quote: "We can say that autos are as important to the province of Ontario as oil and gas is to Alberta.

"But there is also another reason I want to mention why that sector occupies such a critical place in the Liberal Party's strategy for industrial development. Automobiles can be an industry for the future if we begin to act now"—that was three years ago and we are still waiting—"because we all know that the new generation of automobiles is coming forth; we all know that there are problems in that industry but there are immense opportunities.

"A new Liberal Minister of Industry, Trade and Commerce will meet immediately with the heads of the domestic auto companies and with the chief executives of the multinationals to obtain greater sourcing of auto parts in Canada and increased research and development. We will expect major manufacturers both to stimulate the development of a high-technology parts industry in Canada and to begin to do more research and development in Canada.

"In the Reisman report it has been estimated that subsidiaries of the major American automobile manufacturers contributed \$375 million towards the head office research and development budget while spending less than \$5 million in Canada; \$375 million for research and development to the head office, \$5 million in Canada. That record, I say here in Windsor, is a disgrace and it must be changed."

So said Pierre Elliott Trudeau in February 1980. He went on: "If there is resistance to this national objective, we will examine the possibility of limiting the amount of research and development payments to head offices which may be deducted from tax programs."

He concluded his speech by saying: "Two years ago, the Liberal government introduced the duty remission program to encourage the sourcing of Canadian parts by Volkswagen. Well, this scheme has been successful. It has resulted in Volkswagen increasing its purchases of Canadian parts, so we will expand this program to other foreign manufacturers or take equally effective steps to ensure that Canadian-manufactured parts gain entry to foreign markets.

"Now that is our commitment to Canada's

automotive industry. So I am telling you tonight that we want to expand the industry and we particularly want to expand the Canadian-owned part of that industry. I repeat, our goal is a fair share for Canada, whether it is automobiles, whether it is energy, whether it is industry generally. We want to form the next government as a positive step towards building a better Canada for Canadians."

So said Pierre Elliott Trudeau three years ago. He seemed to understand the problems then. Yet it has now been six, seven, eight months since the auto task force reported to his Minister of Industry, Trade and Commerce and we are still waiting. Even yesterday in Windsor, Ed Lumley said, "We are going to do something. We really do not know what we are going to do but we are going to do something."

It seems to me that while they are fooling around, while they are fiddling, the auto industry is completely crumbling. I wait, I beg, I ask and I hope that the federal Liberal government will finally come through and deliver on its promise to bring in an automotive strategy in order to save an industry that is crucial to Ontario and certainly crucial to the city of Windsor where three federal cabinet ministers reside.

They are cabinet ministers now, but I assume that after the next federal election, unless they deliver on their promises on this task force, they will be unemployed like so many people in this province have been, thanks to the mismanagement of the federal government.

5 p.m.

In my last minute I want to indicate to the government across the way that it has also not fulfilled any of its responsibilities in getting legislation passed at the federal level. Surely to God, since 95 per cent of the auto industry resides in this province, this government has a responsibility to put much more pressure than it has on the federal government to implement content legislation.

It seems to me one of the things the Premier, the Treasurer (Mr. Grossman) and the Minister of Industry and Trade should have done would have been to call a summit with the Prime Minister and the federal Minister of Industry, Trade and Commerce. They should go in a very high-profile way publicly and put pressure on the federal government.

We know that Brian Peckford—I have said this before—would never allow the federal government to treat the fisheries in the way the federal government has treated the auto indus-

try. The same goes for the west in the oil and energy industries. It is time this government took the necessary steps to protect the industry as well. I wait for both the Premier of Ontario and the Prime Minister to show the leadership we expect, demand and need to save this industry.

Mr. Watson: Mr. Speaker, I am pleased to rise in this House today to speak on the resolution of the member for Windsor-Sandwich. If there is one issue that all parties in this House can agree upon, it is the importance of the auto industry to Canada, particularly to Ontario. We may not be unanimous in our suggested solutions, but we certainly recognize the magnitude of the problem.

We have already heard the honourable members before me describe the significance of this sector of our province. Some of these facts bear repeating. The vehicle and parts industry is the largest manufacturing industry in Canada with a value of shipments of more than \$15 billion. The industry has 10 assembly plants, 23 major international parts and component producers and more than 250 small and medium-sized independent parts suppliers. It accounts for more than 100,000 direct jobs in Canada and approximately 150,000 jobs indirectly created in associated industries such as steel, aluminum, electronics and plastics.

About one in six people are directly or indirectly dependent upon the auto sector. It accounts for eight per cent of all factory goods manufactured in Canada and 20 per cent of the total merchandise exports, including 60 per cent of the manufactured end products. Most significantly for our debate today, 95 per cent of Canada's auto manufacturing is concentrated here in Ontario.

I must interject here that although the Canadian auto industry is based primarily in Ontario, it is national in scope. The parts used in our plants are drawn from all of Canada. Throughout Canada, dealers, repair shops, parts warehouses, etc., are connected with and dependent on the auto industry. Therefore, the problems in the industry also leave a mark on communities across the nation. So it is fair to say the fate of the auto industry is a Canadian concern. Actually, it is probably more accurate to say it is a North American concern.

The 1965 auto pact changed the Canadian auto industry into an integrated North American industry operating on a continental basis. Despite the often-pointed-out problems Canada has had with the auto pact, this agreement

provided the underpinnings for an internationally viable auto industry in our country. Therefore, the question we are considering today is not so much what is happening to the Canadian car industry, but what is happening to the North American car industry.

The full answer to this question, as far as policy is concerned, involves an appropriate response from both the Canadian and United States governments acting together. The Ontario auto sector is thus, unfortunately, subject to a focus beyond our provincial borders. Despite this fact, the Ontario government has always acted and will continue to act to protect the investment and the production base of this industry upon which the livelihood of so many Ontarians depends.

The Ontario government has shown leadership in the technical development of new products and processes in the auto parts industry. We have the establishment of the auto parts technology research centre in St. Catharines. The centre is designed to reduce the manufacturing process costs, to improve production quality and to resolve design problems. At present, the centre has several project-related, cost-subsidy programs which assist firms in their productivity improvement efforts.

I would also like to remind this House that our government has assisted the auto sector by offering sales tax rebates in 1975-76 and in 1981-82 on the purchase of vehicles.

The auto industry in North America went through a very tough period in the past three years. The difficulties were intensified because of the consequences of several phenomena: changes in gas prices, strong import competition and high interest rates. These, of course, coincided with the recession.

The proportion of domestic market supplied by imports has reached an extremely high level. Do the members know that from 1979 to 1981, the time when auto sales worldwide declined, the Japanese share of Canadian auto sales had almost tripled? In effect, Canada and North America contributed to Japan's economic growth and indirectly supported its export expansion by maintaining a generous free trade policy.

Granted, the reasons for the success of the Japanese vehicles lay in Japanese technological superiority, efficiency and cost effectiveness. This is a matter which the North American auto industry must come to grips with and is coming to grips with. We must work with the United States to create a strong North American position on the international market.

Large capital investments have been made in Ontario by the auto companies. These investments are crucial to the wellbeing of the province as a whole.

It is our responsibility, or the responsibility of our governments, both federally and provincially, to ensure that international trade operates fairly and that it does not discriminate against our auto industry. How do we approach the problem? In designing fair policies with respect to the auto industry, the role played by the six participants must be considered: the vehicle manufacturers, the independent parts and material suppliers, the trade unions, the vehicle and parts importers, the consumers, and, finally, all levels of government.

Each of these groups has had its own interest and expectations; each has placed its own demand on the auto industry. The first hurdle we must cross is to ensure that all participants work co-operatively together towards a common goal. Too often in the past our auto industry has been divided by misunderstandings and conflicting approaches.

However, I believe we are well on the way to crossing the first hurdle. Everything I have read recently points to the industry upgrading quality and techniques, including changed management tactics and more worker involvement. All of this indicates a real effort is being made on the part of industry to work together.

Our government must do its share as well. I want to point out that we have never shirked from this responsibility. The Ontario government's objective for the car industry, stated time and time again, is to see an increase in the Canadian value added in world auto production, to achieve increased research and development in Canada and to expand capital investment and job creation in the automotive sector.

As far as imports go, the Ontario government believes in free trade. However, it also believes in fair trade. Therefore, the government supports the main contention of the federal task force report. For years we have been pointing out a need for Canadian content requirement in imports. The members may remember that last year's speech from the throne addressed the issue.

As far as Japan is concerned, we would like to see the Canadian value added in Japanese vehicles. We would also like to see the Japanese establish assembly plants in Canada. The point is that if Japan wants to continue having unfettered access to our market, then it should also do something for us. The Premier is very con-

cerned about the response of our federal government to the task force report and, generally, about future federal agreements with Japan. We wrote to the Prime Minister this summer pointing out our province's position.

Our government concedes that the number of imports has diminished by Japan's voluntary agreement with Ottawa to limit the number of imports. We acknowledge this; yet we feel the restraint commitments should also have included trucks and small station wagons.

Our government believes that although import restrictions have been helpful, they provide only a short-term solution to the import problem. Content regulations are also necessary. Some people think these would be most successful if imposed in parallel with the United States. Canada and the United States together must make it clear that if foreign countries wish to sell their products and service the aftermarket in North America, they must also start purchasing parts in North America.

5:10 p.m.

The Japanese must also be prepared to participate in our market if they want continued access to our consumers. A long-lasting solution can only be achieved if there is new investment in Canada by foreign parts producers and auto manufacturers.

This particular task force report has been supported in my area by our municipality, our chamber of commerce, our UAW local and other groups interested in auto work.

I would like to refer to the subject of sugar beets, which does not have very much to do with autos. The last year sugar beets were grown in the province was 1976. Farmers from southwestern Ontario went to Ottawa and asked for a sugar policy which said that if 20 per cent of the sugar consumed in Canada was grown in Canada, they could maintain a sugar-beet industry in Canada. The federal government failed to act. The industry was not revamped.

Regardless of all the other things, we have a current policy in the federal government which says a certain percentage—in fact, the new figure is to be 80 per cent—of the TV we watch must be produced in Canada. I hope the car industry does not come to the same fate as the sugar-beet industry in southwestern Ontario for the same reasons.

Mr. Newman: Mr. Speaker, I rise to support ballot item 15, the resolution introduced by my colleague the member for Windsor-Sandwich concerning the automotive industry in Canada.

It is most fitting that a member from the birthplace of the auto industry in Canada did so.

Because of our proximity to Detroit, Michigan, the original home of the industry, we in the Windsor area know the vagaries of the industry. We know its ups and downs. We know the effects the downturns have on the economy and the effects they have had on the economy of Windsor in particular. We know the effects of transferring the manufacturing operations from Windsor to other parts of Ontario, even to other provinces or countries. We know the adverse effects of manufacturing shifts and we know the effects they have had on the economic life of my community.

The effects go beyond Windsor, the city that put Canada and Canadians on wheels shortly after the turn of the century. We in the Windsor area know the tremendous importance of auto manufacturing and assembly, and parts manufacturing, not only to the prime auto centres in Canada but to many small associated industries scattered throughout the province.

I received a letter from Dan Bryan, president of Kendan Manufacturing Ltd. in Windsor. I wish to read just one paragraph from that letter. He says: "We are writing to you today about a very serious matter. Over the past few years the automotive parts industry has undergone a tremendous restructuring brought about by the internationalization of the automotive industry in general, but particularly in North America.

"Our company is making every effort possible to meet the new competitive mould of the successful 1980 components manufacturer, but has had difficulty for a number of reasons, not the least of which has been unfair competition by the Japanese. The federal government established a task force to study these problems and, as an industry, the parts manufacturers worked hard to make sure that the task force came forward with good analyses and workable solutions. We would like to see the recommendations of the task force fully implemented."

I also received a letter signed by Mr. W. C. McIvor, president and secretary-treasurer of Kelsey-Hayes Canada Ltd. I will read a portion of it. He says: "Our company is a manufacturer of automotive parts located in Windsor and we also have plants in Woodstock and St. Catharines, Ontario.

"As you know, we manufacture wheels at Windsor which we sell primarily to customers in Canada and export to the United States under the auto pact. Our current employment in Windsor is approximately 800 and we are pleased

that our company helps to provide for a more prosperous and viable economic climate in this area.

"We are writing to you today about a very serious matter. Over the past few years the automotive parts industry has undergone a tremendous restructuring brought about by the internationalization of the automotive industry in general, but particularly in North America. Our company is making every effort possible to meet the new competitive mould of a successful 1980s components manufacturer but has had difficulty for a number of reasons, not the least of which has been unfair competition by the Japanese.

"The federal government established a task force to study these problems and, as an industry, the parts manufacturers worked hard to make sure that the task force came forward with good analyses and workable solutions. We would like to see the recommendations of the task force fully implemented."

I received the third and final letter from Mr. Walter A. Hadden, president of Champion Spark Plug Co. of Canada Ltd. in the Windsor area. Part of that letter reads as follows: "I am sure you would agree that nothing is much more important to the economic wellbeing of our community than the health of the automotive vehicle and parts-producing industry. You know that Champion has had a vital stake in this community for a great many years and remains a strong supporter of its economic and social life.

"In recent years our company has faced very difficult business conditions concurrent with a major restructuring of the automotive industry. The entire industry has been moving through a period of dramatic change, accompanied by severe competition, particularly the penetration of imported vehicles, along with components parts, from Japan.

"Earlier this year, as you know, the federal government, upon the initiative of the Honourable Ed Lumley, established a task force to study the serious problems facing Canada's automotive industry. For the first time that I am aware of, representatives of labour and industry, along with government, set aside their differences and worked together in a spirit of co-operation to address mutual industry problems.

"We, along with other parts producers, participated to help ensure that the task force came forth with constructive recommendations that would prove to be fair and workable. In my view, if Canada is to broaden its industrial base

and create employment growth, then a strong automotive parts and vehicle manufacturing sector is a vital element to that kind of economic development.

"Conversely, without effective trade policies and economic strategy in the key automotive industry, the country and of course our own community may never realize their tremendous potential. I am sure you fully recognize all that is involved as well as the urgency for positive measures to be taken on this vital issue."

The city of Windsor, as well as the chamber of commerce in the community, passed a resolution called the Windsor resolution, which reads as follows: "It is an objective of great importance to the North American automotive industry and to the Canadian economy that a basis be devised for fair competition among all manufacturers marketing in Canada.

"The chamber of commerce, while arguing against protectionist measures directed at the Japanese automobile industry, does accept that Japan's trading practices have not always reflected an adherence to the principles of free trade.

"The Japanese, as a government and as a society, have not exhibited a willingness to allow manufactured products into their markets. The concept of importing raw material only and exporting finished products has been a cardinal rule in Japanese economic practice.

"The North American automotive industry, including labour, subscribes to and endorses free trade. It asks nothing more than fair trade under which all participants abide by the same rules. The federal government does not impose the same taxation on vehicles imported into Canada as it does on those manufactured domestically.

"General Motors President Hackworth said recently: 'We need taxes on vehicles in Canada to be levied on the same basis. We could end further inequities if Canada would impose the same set of conditions upon Japanese manufacturers, now that Japan has become a significant automobile manufacturer, as it does on American manufacturers.'

"Japanese companies currently have an additional cost advantage in excess of \$1,800 per car. This cost advantage is the result of manipulation of foreign exchange rates, lower wages, higher productivity, lower tax burdens and export tax rebates.

"The establishment of fair competition for vehicle trade in Canada requires a realistic analysis of the arrangements under which the North American automotive manufacturers are

allowed access to the Canadian market versus the requirements for Japanese and other off-shore manufacturers to gain entry.

"A new arrangement for vehicle suppliers outside of North America needs to be made whereby there will be equality of treatment for all sellers, domestic and foreign, in the Canadian market. We believe only this kind of arrangement will equalize the burden on all vehicle manufacturers and serve the best interests of Canada.

5:20 p.m.

"Manufacturers reaping the benefits of major sales volumes should be required to invest in the Canadian economy in the form of plants, jobs and the purchase of component parts, thus contributing to the wellbeing of Canada."

Therefore, the resolution contains the three following recommendations:

"1. That the Canadian Chamber of Commerce urge the federal government to standardize the rules for all automotive manufacturers, foreign and domestic, so that there would be equality of treatment for all sellers in the Canadian market;

"2. That the federal government be urged to require investment in the Canadian economy in the form of plants, jobs and purchase of parts by all vehicle manufacturers who enjoy major sales volumes in Canada; and

"3. That the federal government be urged to continue with negotiated restraints on imported vehicles until such time as fair and equal competitive conditions are established relating to both vehicles and parts."

As the resolution suggests, we should institute an automotive industry assistance program, to be administered by the Ontario Development Corp., with the aim of providing low-cost capital to Ontario companies in this sector. I suggest that all members in this House should support this resolution.

Mr. Breaugh: Mr. Speaker, I rise to support the resolution before the House today, as I have done on a number of other occasions in a number of other places, because I think the problem it attempts to deal with is one that affects the basic economy of the country.

It affects the economy of Ontario a little more dramatically, but I think without question—and perhaps this is something that is not well understood from coast to coast—this is the guts of the Canadian economy and for the last few years essentially has been what is wrong with the Canadian economy.

Because I do speak to this issue with amazing regularity—and for the most part in talking to auto workers—from the workers' perspective of jobs, I thought it might be interesting this afternoon if I took a few minutes and spoke to it from a slightly different perspective, that of the manufacturers.

I am normally not a fan of large corporations but I, for one, am impressed with the work that has been done in the private sector in terms of recognizing some things that are wrong and taking some steps to correct them. Not the least of that work was their participation in the federal task force with the United Auto Workers and others to try to assess what might be done in a positive sense to correct the situation.

One basic theme is repeated by just about every corporate citizen I see when they talk about the automobile sector and particularly about problems they are having with offshore competition. It is best summarized by a line in a London Free Press story that quotes Kenneth Harrigan, president of Ford Motor Co. of Canada Ltd. His basic complaint is that the offshore competitors are "playing in the same ball league, but playing by different rules." I think for the most part that kind of sums it all up.

There is a plea on the part of the auto makers, on the part of the auto workers and on the part of interested governments in this nation to have some fairness brought back into the auto industry in Canada. For many people, the initial response is to try to examine who is bringing in this unfairness and what it is like to try to do business in Japan.

Many of our producers who have gone to Japan, whether they are parts producers or people interested in selling assembled vehicles, soon found out that it is not easy to sell cars there. As a matter of fact, it is not easy to sell anything in Japan.

Many observers have been trying to assess how it is the Japanese have succeeded in going from almost a zero economy to something that has become a worldwide power in many sectors and particularly in the automotive sector. Even a casual examination gives one a good clue. For a long time the Japanese have been where our auto producers are now. They have understood the need to kind of integrate the private and public sectors. They had a good examination of all the levers that governments could pull to protect their industry and make it grow and develop. Most of their technology is North American, which they have taken and refined and done a better job at. They have identified

problems in management and gone to work on that. At least our people are beginning to understand that.

One of the interesting developments reported in today's papers was that there is now a new US-Japan deal on cars; a quota system has been established. For many people, there is an appeal in talking about quotas or protectionism. The appeal is short-term in nature, and I admit wholeheartedly that sometimes if you want to negotiate something with somebody you have to get his attention first. Probably one of the ways the world has traditionally done that is to move to some kind of protectionist policy.

The difficulty with quotas or tariff barriers, or whatever other technique one wants to use, is that they have two major flaws. First, they tend to be short-term in nature, because it is difficult to maintain that over a lengthy period of time. Second, although it may hurt the Japanese producers, it does not do anything for Canadian workers or the Canadian economy. By penalizing someone else, one does not help oneself.

The quota system, tariff barriers and those proposals have limits to them. In the long term one wants to do what the task force says ought to be done: to move to something which at its centre has content legislation.

To get an idea of how big the problem is, one has only to look at statistics published yesterday in the *Globe and Mail* which show that, for example, Toyota, one of the most successful Japanese car operations, has gone from 41,827 units in 1980 to 53,429 units in 1982. The sales increase for all offshore products and Japanese products in particular has been dramatic.

If one looks at the words of Moe Closs, the president of Chrysler Canada, who was quoted in the *Windsor Star*, one gets some sense of the urgency of it. One sees an admission by the president of Chrysler Canada that the North American automotive industry may turn to foreign countries, not only to build components but also for finished vehicles.

The threat is real. It is not an imagined thing. It is an examination of how to do business, how to make money, what governments do that will affect the automotive sector and what options the automobile makers themselves are considering. It is one that I believe is real. The damage to the Canadian automotive economy has been done. Jobs have been lost. Some of our plants are back in production, but there has been a substantial shrinkage.

In fairness, I want to point out that I am impressed by some of the analyses that our auto

makers are making around their related costs. Closs says in this article that there is about a \$2,000 advantage to the Japanese producers. Most of that advantage is not in labour costs, as the traditional argument would have it; most of it is in the effect of government policies in Japan around the value of the yen and about when and where they apply taxes. They have identified where the problems are.

In the private sector, one can look at a little article from the *St. Catharines Standard* quoting Jeffrey Dickinson, who is director of purchasing for General Motors. He talks about the elimination of paperwork, from the receiving schedules to shipping information and the payment of invoices, and the enormous amount of waste and lost productivity in matching bits of paper.

The other side of the coin is presented most often by people who are interested in selling and making money from the Japanese cars in Canada. Here is a quote from Robert Attrell of Brampton, the president of the Canadian Association of Japanese Automotive Dealers. "In the automotive task force the deck was stacked against us. There were no offshore manufacturers consulted, no dealers. We didn't have any say in the matter." One of the problems is that if one wanted to talk to offshore manufacturers in Canada, one would have a long wet walk because they are not here. That is what the task force talks about.

Here is another cute little thing—all these clippings came in today—quoting Industry Minister Ed Lumley as expressing anger that the Japanese have ignored Canada but are building an auto plant in Italy where they are allowed to sell only 2,000 annually. It seems to me that minister has a more positive way to express his anger than by quoting that.

5:30 p.m.

Here is another cute little bit from the *Financial Post*. It sums up the investments of Japanese offshore producers in Canada. The bottom line of this story is that, so far, Canada has only managed an aluminum wheel plant in British Columbia built by Toyota. So we get some sense of where people are going in this industry and how far we have come in that regard.

Much of the damage that has been done is shown by a summary of what kinds of cars one can buy. I think it is fair to say that the North American auto industry has been given a bit of a dirty deal by those folks who write reviews on cars. If we go through this review of what cars cost, we will find that offshore imports are not cheap cars any more, they are not any better

designed and their technology is no better than much of what is here and available in North America. In fact, we are now beginning to beat them back on prices.

I want to conclude by quoting from a source I respect a great deal. This was done some time ago, in October 1960. It was calling for an assessment of the auto industry and said it should involve questions of adequacy, minimum levels of Canadian content in assembly operations and, generally, ways and means of unleashing incentives to increase the degree of processing and fabrication of Canadian materials in Canada.

One other little quote I want to work in from this report is the recommendation: "We recommend that the government of Canada and the motor vehicle companies re-examine existing policies with a view to: (a) increasing the Canadian content in the Canadian vehicle; (b) providing a more satisfactory market for Canadian automobile parts; (c) establishing research in Canada; and (d) allowing the Canadian company to participate in world markets on the basis of price."

That is a quote from the Honourable Leslie M. Frost, QC, Prime Minister of Ontario, in a submission of the government of Ontario to the royal commission on the automotive industry. The only problem with it is that it was made in October 1960, more than 23 years ago. The government of Ontario clearly indicated it knew what the problem was. The tragedy is that in nearly a quarter of a century, neither the government of Ontario nor the government of Canada has managed to do anything about any of those particular recommendations.

Mr. Cureatz: Needless to say, Mr. Speaker, it gives me great pleasure this afternoon to speak on the resolution before the House. But before doing so, I want to allude only briefly to my past reincarnation as Deputy Speaker. Possibly at another time, in a budget debate, I will relate some experiences and the concerns I had in that position. But I would like the record to show the wonderful experience I had as Deputy Speaker. I congratulate the Speaker on the job he did. We worked well together. I congratulate my assistant, the present member who is sitting in the chair.

I also want to thank all the clerks at the table. When I started off fresh and new—as the member for Lake Nipigon (Mr. Stokes) first related to me—it was a totally different and new experience; unless one is sitting there, one does

not know what it is like. I certainly had my fill of what it was like. The clerks were always most helpful when I ran into the problems we encounter from time to time when making difficult rulings. I want to thank them.

Last, and most important, I wish to thank all members of the House. At times I was on pins and needles, but it was heart-warming to think we were always able to work out our difficulties no matter how strenuous and high-tempered the tempers were. I see the member for Sudbury (Mr. Gordon) nodding. I can remember a particular situation we had one evening, not to mention the member for Cochrane North (Mr. Piché). But bygones will be bygones; we will not mention any names. I want to get into the resolution, and I will reserve further comments about my past experiences for another time.

I apologize for being a little late. I had a meeting with the Minister of Education (Miss Stephenson) and school board officials in my area. However, I had the opportunity of catching the remarks of some of the honourable members.

I want to tell the member for St. Catharines (Mr. Bradley) at the outset that I am supporting the resolution.

Mr. Bradley: Are the people who met with the minister bruised and bleeding?

Mr. Cureatz: We have all had our experiences from time to time with the Minister of Education. I do not think I have to answer that question, because the member probably already knows the answer to that question.

I want to speak from a personal perspective as to what I see in the resolution and what I see happening in the city of Oshawa. Many people do not realize that my wonderful riding of Durham East represents not quite half the city of Oshawa. The member for Oshawa (Mr. Breaugh) might dispute this with me, but my riding represents at least a third but not quite half of the city.

Mr. Di Santo: How many polls?

Mr. Cureatz: I have almost 100 polls, and about 86 polls in the rural area. It is funny, and interesting; I have always won in the city of Oshawa. The member for Oshawa is no doubt always amused by that. But let me get down to the point of the resolution.

Interjections.

The Acting Speaker: Order.

Mr. Cureatz: I want to outline for the member for Windsor-Sandwich the plant layout in Osh-

awa. I do not know whether he did that. I am sorry; I missed his opening remarks and he might be saving some remarks.

In the north end of the city, which interestingly enough is part of my riding, we have a small assembly parts plant where they put together the radio components and form the plastic moulds. I am speaking generally; I do not want to get into detail. At the south end, we have the major parts assembly plants—for cars, trucks and batteries. Then, and I am leaving the best for last, in the north end we have the huge, wonderful General Motors headquarters, which houses the president of General Motors of Canada.

I mention this because I tour the plants from time to time. I pride myself on inviting myself, I might add, to see what is happening. I have been in this assembly almost seven years, and I am getting a little worried about what is happening in terms of technological advancement in those plants.

Take robotics, for example. The new plant has a section where they dip the whole car body into a great bathtub-like unit. One looks down a huge aisle, which must be close to an eighth of a mile long, and one does not see a person. Of course, the executives of General Motors are quite pleased about this. I remember when they made their opening remarks, they talked about what a wonderful assembly plant it is and the number of pieces of machinery they had located in the plant. But my worry is, where are the people?

That ties into the film I saw last week in the NDP caucus room about the effect of what had taken place in the Windsor area. I am sure the member for Brant-Oxford-Norfolk (Mr. Nixon) would be most interested in the layoff problem that happened in Windsor. The film depicted very well the problem of the people who had lost their jobs on a long-term basis. Happily enough, some of those people are being hired back, but the problem is that many of them are not. Why not? Because of what is taking place in the high-technology field.

I am sure the member for Oshawa will appreciate my giving a couple of whacks to General Motors of Canada Ltd. We all appreciate that they are fine corporate citizens. In my riding, we certainly appreciate the number of people the plants employ. I was amused this afternoon when I heard the member for Oshawa say that he talked from the perspective of the worker. I am talking from the same perspective—

Mr. Breaugh: They do that with me regularly.

Mr. Cureatz: The board of directors do not call up good old Sammy Lawrence Cureatz in his riding office in Oshawa and say: "Sam, we just want to touch base with you. Here's what we are planning on doing. What do you think about this?"

Mr. Martel: All the time.

Mr. Cureatz: Let me tell my friend, they have never done it.

Mr. Martel: They haven't got any faith in you.

Mr. Cureatz: What does my friend know? I am getting to the point on this. I am saying that with the involvement of industry in my community—and it is the same in Sudbury East—we must start having better community co-operation between high management and some of the elected officials—

Interjections.

Mr. Cureatz: If I could interrupt the member for Sudbury East—I know the new Deputy Speaker will do that in a moment.

The Deputy Speaker: That is an excellent idea.

5:40 p.m.

Mr. Cureatz: The interesting thing is that they do call me up from time to time when they let me know the number of people they are going to hire or the number of people they are going to lay off. They phone me up five minutes before the announcement. I do not appreciate that. I appreciate the fact that they have a person there handling what they call government relations but they are not having much of a relationship with me.

Interjection.

Mr. Cureatz: Am I being forceful? I have done all I can in terms of calling them up and paying visits to the respective plants. Who do they call when they have troubles with the Ministry of Labour? Do they call the member for Oshawa? No. They call the Conservative member for Durham East to help to sort out their problems.

Mr. Martel: I thought you said they never called you.

Mr. Cureatz: Do they call me to ask: "What is happening in the community, Sam? What can we do to alleviate the whole perspective of layoffs and hiring?" No, they do not. I think they have a greater responsibility to do that.

I have a minute and a half left. Let me jump to one other thing. Here is something else I want to mention to the member for Windsor-Sandwich.

In the seven years I have been there, I do not think I have seen a Canadian president of General Motors yet. There was McPherson; then there was Smith, the member from Georgia; then we had another fellow who was there for six months and he went to the Euclid business; and now we have Mr. Hackworth.

I have seen Mr. Hackworth from time to time. I bumped into him on the first floor and asked him, "Were you coming to visit me?" No, he was going to see the Premier (Mr. Davis). I am saying it would not be bad if he called me up from time to time and said: "Hey, Sam, what do you think? How are we doing?" I would relate to him some of my thoughts and concerns about what is happening in the city of Oshawa and the surrounding area and the region of Durham.

Notwithstanding all that, it would not hurt if we had, even in my humble time, be it so short, a Canadian president of General Motors. Is that too much to ask? I can remember Mr. Hackworth's first speech. He related everything in the automobile industry to football. I thought to myself, at least he could relate it to hockey. I mean, who knows about football?

Mr. Speaker, I apologize, I wish I had more time. I am very pleased to support this resolution by the honourable member.

Mr. Bradley: Mr. Speaker, I rise as a representative of a constituency that is heavily dependent on the automotive industry to support this very progressive resolution on the part of the member for Windsor-Sandwich.

I know that member, as well as others from all parties who have spoken in the House, has a great concern about the future of the automotive industry, particularly in the light of the fact that there have been prophets of doom and gloom who have indicated that it will disappear within the next 15 or 20 years.

I am sure that view is not shared by those of us who are members of this House. We want to ensure in every possible way that it is not only an industry that will maintain its present level of employment and economic importance but also one that will increase both in terms of employment opportunities provided and in terms of the economic impact on our province and our country.

There is no question that this automotive task force report points in the right direction as far as those of us who represent those constituencies are concerned. I know the auto workers—the majority of the people who live on my street are auto workers—would very much appreciate the action of this Legislature in suggesting to the

federal Parliament the implementation of the provisions of the automotive task force. It was made up of people from both the automotive labour side and the automotive industry side and had input from others who had what some might say would be a more objective viewpoint on the industry.

It is important for those of us who are representing those areas to speak up, because it is difficult to see those who represent, for instance, Red Deer, Alberta, or Charlottetown, Prince Edward Island, speaking with the same degree of vehemence as do those of us who have people who rely so much on the automotive industry.

One need only witness the recent downturn in the economy to see the devastating impact on a community such as St. Catharines in the Niagara area, which on many occasions has rivalled and surpassed Sudbury as the capital urban area as far as unemployment is concerned. We have certainly brought to the attention of the people across the floor the need for policies to improve the situation.

We can call upon the federal government to implement the provisions of the task force but as my colleague, the member for Windsor-Sandwich has appropriately pointed out, the provincial government has a role to play as well. I am pleased to see that he has indicated that the provincial government should institute an automotive industry assistance program to be administered by the Ontario Development Corp. with the aim of providing low-cost capital to Ontario companies in this sector to ensure that we have a strong industry.

At the same time, we must ensure that the rules governing international trade as they relate to the automotive industry are fair rules. No one in the Canadian automotive industry has said that he or she wants to compete on an unfair basis. No one has said they would erect barriers which are going to prevent automobiles coming in from other countries. All they have said and all we are saying is: "Let us do it on a fair basis. Let us have our main rival in world trade as far as automobiles are concerned, the main threat to our automotive industry, the Japanese threat this time, let us have that competition on a fair basis." Surely all members of this House would agree with that.

We have to ensure that when this kind of a program is implemented it is done so taking into consideration at the same time, the American automotive industry and the common market that exists between the US and Canada. To

implement a kind of program which would call for Canadian content and so on at the expense of the Americans would invite the kind of retaliation which would be devastating to our economy. That is why this has to be done in the context of that North American common market in the automotive industry. If it is done in that context, it will have a positive effect on jobs and job opportunities in this country and in this province.

It is the responsibility, it seems to me, not only of those in this House to ensure that this point of view is put forward, but most particularly of those in the federal Parliament and, most particularly of all, those who do not represent the automotive industry areas because that is where the support is needed. We have to see across our country a realization that the automotive industry is one of the most important, that its impact is positive when the economy is booming and negative when it is not. Therefore, I implore members of this House to support this very progressive resolution.

The Deputy Speaker: The member for Windsor-Sandwich has three minutes.

Mr. Wrye: Mr. Speaker, I want to comment very briefly on the speeches of the other members. I want to thank the members who have spoken in support of this resolution. I think it is significant that members who have spoken are all from auto centres and realize full well the importance of this resolution for their communities and, indeed, for the entire province.

I want to make a couple of remarks on the comments of my friend the member for Chatham-Kent (Mr. Watson). I want to suggest to him I am aware that the Premier wrote this summer to the Prime Minister. I think I dealt with that in my speech. I think it is important that the Premier of Ontario do more than that. He must begin to pressure not just the government of Canada, but the seven or eight provinces who are not yet on side in this very important matter.

I regret that my friend the member for Windsor-Riverside (Mr. Cooke) is not here but I want to remind him, lest he think that Ottawa has done nothing, that it is the government of Canada that deserves the major credit, and indeed received the major credit yesterday—he was in Windsor to hear that—for the very survival of Chrysler Canada. I think that is a crucial matter, not only to those of us in Windsor but to all of us in Ontario.

Debate on this very important matter has been too long delayed in this Legislature. In

fact, I can remember my friend from Windsor-Riverside suggesting a joint resolution. I am glad that we have jointly agreed to have this debate today to support this matter.

I hope that today's debate, with the support of all sides of this assembly, will bring back into focus the vital stake that all of us in Ontario have in the fair trade policy proposed by the task force. Those involved in the report have made significant concessions of their own from their previously stated policies. They have offered to this Legislature, to the people of Ontario, to the Parliament of Canada and to the people of Canada, a middle road towards more jobs and more prosperity for the industry, the workers and the citizenry in general.

It is now our role in Ontario to convince the government of Canada and the governments of each province that the way has been shown for us.

5:50 p.m.

With leadership from our province, with firm and unbending support for the recommendations of the White-Lavelle task force and with positive encouragement to Ottawa to move forward boldly on its current round of negotiations with the Japanese, those goals can be realized. To do any less would be to fail our own people on the one promise that we all too often easily make: the promise of a government sensitive to a desire for more jobs, better jobs and more prosperity and wellbeing in their lives.

CONTROL OF CROWN CORPORATIONS

The following members having objected by rising, a vote was not taken on resolution 20:

Andrewes, Ashe, Baetz, Barlow, Birch-Cousens, Cureatz, Eaton, Gillies, Gordon, Gregory, Harris, Hodgson, Johnson, J. M., Kolyn, Lane, McCaffrey, McCague, McNeil, Mitchell, Piché, Pollock, Robinson, Scrivener, Sheppard, Stevenson, K. R., Treleaven, Walker, Watson, Williams—30.

AUTOMOTIVE TRADE POLICY

Mr. Speaker: Mr. Wrye has moved resolution 18.

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

The House recessed at 5:53 p.m.

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Bennett, Hon. C. F., Minister of Municipal Affairs and Housing (Ottawa South PC)
Bradley, J. J. (St. Catharines L)
Breauth, M. J. (Oshawa NDP)
Cassidy, M. (Ottawa Centre NDP)
Conway, S. G. (Renfrew North L)
Cooke, D. S. (Windsor-Riverside NDP)
Cousens, D., Deputy Chairman and Acting Speaker (York Centre PC)
Cunningham, E. G. (Wentworth North L)
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Foulds, J. F. (Port Arthur NDP)
Grossman, Hon. L. S., Treasurer and Minister of Economics (St. Andrew-St. Patrick PC)
Jones, T., Deputy Speaker and Chairman (Mississauga North PC)
Kerrio, V. G. (Niagara Falls L)
Kolyn, A. (Lakeshore PC)
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Peterson, D. R. (London Centre L)
Rae, R. K. (York South NDP)
Reid, T. P. (Rainy River L-Lab.)
Riddell, J. K. (Huron-Middlesex L)
Sargent, E. C. (Grey-Bruce L)
Scrivener, M. (St. David PC)
Stephenson, Hon. B. M., Minister of Education and Minister of Colleges and Universities
(York Mills PC)
Turner, Hon. J. M., Speaker (Peterborough PC)
Watson, A. N. (Chatham-Kent PC)
Wrye, W. M. (Windsor-Sandwich L)



Hansard

Official Report of Debates

Legislative Assembly of Ontario

Third Session, 32nd Parliament
Thursday, November 3, 1983
Evening Sitting

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday, November 3, 1983

The House resumed at 8 p.m.

ASSESSMENT AMENDMENT ACT (continued)

Resuming the adjourned debate on the motion for second reading of Bill 90, An Act to amend the Assessment Act.

Mr. Breagh: Mr. Speaker, on a point of order: I could be mistaken, but I am not sure I see 20 members in the chamber.

Mr. Speaker ordered the bells to be rung.

8:06 p.m.

Mr. Breagh: Mr. Speaker, how many Liberals can you count in here this evening?

The Acting Speaker (Mr. Cousens): That is no point at all. We are continuing with the debate.

Mr. Charlton: Mr. Speaker, in my remarks I will try to pick up where I left off the other evening, but perhaps I will have to pick up a few of those comments to refresh my own memory and the memory of other members as well.

When I left off I was saying the comments two or three of the Liberal members have made and several of my colleagues have made about the programs in the assessment division of the Ministry of Revenue clearly set out the problems we feel in terms of our constituents and the taxes they pay in the context of what we see lacking in this piece of legislation.

We have a situation in Ontario where for 15 years now this government and the Robarts government before it have been talking about province-wide, universal, uniform, property tax reform. After being 15 years into that program, 15 years into that reform process, we are very little ahead of where we were 15 years ago.

Mr. Haggerty: Don't embarrass them.

Mr. Charlton: Although I do not always agree with my colleague the member for Erie (Mr. Haggerty), I think even he will agree we have not progressed very much over the last 15 years.

In this bill before us we have a clear reflection of what I am talking about. We have in this bill the ninth postponement of what this government told us 10, 12 or 15 years ago was the answer to the property tax problems and inequities in this province. We have the ninth post-

ponement of that market value program in this bill because of this government.

There are a few things I would like to make clear at the outset. My comments tonight are not, I repeat, a reflection on the staff in the assessment division of the Ministry of Revenue, formerly of the Department of Municipal Affairs. It is not a reflection on the staff because the staff of the assessment division are very capable people. It is a reflection on the political will and the political inadequacy of this government.

As I said in my opening comments on Tuesday evening, I do not want the new minister, the member for Mississauga East (Mr. Gregory), to take these comments too personally. We are prepared in his case to give him some opportunity to show his stuff; but we are certainly not happy with his immediate predecessor in terms of progress.

As I said on Tuesday evening, his predecessor twice removed was a minister who, although he did not reach the goals we would like to have seen, was at least flexible, understanding and willing to listen and to work out solutions to problems that we brought to his attention. That was the former member for Parry Sound, the Honourable Lorne Maeck. The immediate predecessor to the minister, the member for Durham West (Mr. Ashe), was not very useful or very co-operative at all.

We are in a situation where for 15 years we have been looking for the promised package of property tax and municipal finance reforms in this province, and we have nothing. The assessment division, as a result of political instructions from the minister, the Treasurer and, generally speaking, the cabinet, has moved from a position taken in 1970 of total and absolute responsibility for property taxation in this province to the position created in 1978 or 1979 when it went to this voluntary section 86 program, which is now the section 63 program, this voluntary, on the part of the municipalities, program of equalization.

It is a program which provides under section 63 of the Assessment Act for equalization of assessments within a class of properties at some percentage of market value. I will admit, at the outset, that this equalization program under section 63 does provide for some small, addi-

tional measure of equity within classes. It does solve some of the problems we had in property taxation, but, just to put it into some kind of perspective, the sum would reflect perhaps 25 per cent of the problems we had in property taxation in this province. The other 75 per cent of the problems are still outstanding.

This bill provides us with a reflection of that because it is, again, the bill that avoids dealing with the 75 per cent of the problems we have avoided dealing with. Not only does the section 63 equalization program avoid dealing with 75 per cent of the problems—the inadequacies and inequities among the commercial and industrial sector, the apartment or multi-residential sector and the single-family residential sector—but it also avoids grappling with a number of new problems which the section 63 program creates.

I am not referring to the capabilities or the adequacy of the staff in the assessment division but to the policy which emanates from the cabinet and the government itself. This program has created a number of new problems that were totally unnecessary. I would like to talk about a few of those programs because they are some of the reasons we find ourselves in the position of having to oppose this bill this evening.

I refer to the situation we had in Hamilton in 1969 when, under the old numbering of the act, the program was the section 86 equalization program. We had a situation where a number of categories or classes of property were created, and each of those classes was analysed separately for the purposes of developing a factor which would create the percentage at which the properties in that class were assessed as compared to the ratio of market value.

In the analysis that was done, it was discovered—and I guess it was a fact that was already known to a few—that there were fairly large and substantial discrepancies between some classes of property. For example—and I mentioned this peripherally a moment ago—between the multi-residential sector and the single-family residential sector there was a very substantial discrepancy.

The single-family residential properties in Hamilton were assessed under the old system at approximately 10.8 per cent of 1975 market value, whereas the multi-residential apartment properties in Hamilton were assessed at approximately 18 per cent of market value. If the assessors in the Hamilton-Wentworth region had combined those two categories into one residential class, there would have been a major reduction or shift of taxation from apartments.

There would have been a substantial reduction for apartment dwellers and owners in Hamilton and a substantial increase for single-family home owners.

What we had here were two major sectors. There were tens of thousands of people living in apartments and several hundred thousand people living in single-family residences, but both categories made up a substantial and important political force in the community.

What we saw happen was an equalization program that separated single-family residential from multi-residential. Why did that separation happen? Why were those two different categories created under section 63, this section we are being asked to perpetuate this evening? If one looks at it on the surface, it could be said in all sincerity that those two were separated in order to avoid massive shifts of taxation and to protect individuals from undue and overbearing tax increases.

If everything had been done right through the system on that basis, that explanation could be believable. But we have ultimately to come to the conclusion that that was done, not because of the desire to protect individual taxpayers from massive tax increases, but because of the number of votes involved. We have ultimately to come to that conclusion because of what happened in other sectors.

We also found another major area of discrepancy in the Hamilton situation. We had single-family residential on small lots, 50 feet by 100 feet or smaller. They were fully serviced lots in the city proper. We also had single-family residential, rural or semirural, in the city of Hamilton, lots of an acre, two acres, three acres and three and a half acres, in most cases without services. In most cases, these were lots that were bought 30 or 35 years ago and the houses were built 25 or 30 years ago. Those suburban, semi-rural lots—the larger acreage lots with no services—were bought 25, 30 or 35 years ago for no more, in fact for less, than a much smaller city lot with a comparable house on it.

The home owners in those suburban or semi-rural lots were average people with average incomes and in some cases even below-average incomes. They moved outside the city for a number of reasons. Some of them moved to get away from congestion and to avoid the costs in the city which they could not afford because 30 years ago some of those properties were less valuable than comparable houses in the city.

8:20 p.m.

What has happened is there has been a shift in the past 30 years because of rather significant growth in our cities. We have seen it here in the Toronto and Hamilton areas. They have seen it in the Windsor, London and Sudbury areas. There has been substantial growth which crowded and pushed more and more people out of the city, as well as the city itself expanding its basic urban boundary. Those larger semi-rural suburban lots, the lots of 1.5, two and three acres, now are becoming prime development land. Even if they have a small bungalow on them, they are becoming prime development land.

In the marketplace, this so-called market value system of property tax assessment that we get ourselves caught up in, these home owners found themselves in the position where a property with a house that is comparable to a \$60,000 house in the city is now worth \$150,000 on the marketplace because of the land they have.

Let us remember that none of these home owners has this \$150,000 in hand. They have never sold their property. They are now 30 years older than they were when they bought the property. They are 55 years old, with 10 years to go until their retirement. They probably have 20 years to go until they really want to sell that property. They want to stay there, to live, garden and retire there and to have the first few years of their retirement while they are still physically able to do so in the comfort of their own home, with their own backyard which they have worked for the past 30 years to make beautiful and the house they have worked to maintain. They want to stay there.

All of a sudden, as a result of this approach to market value, their taxes jump. We have heard about tax jumps in this House before. We have debated retail sales tax jumps of 10 and 12 per cent and Ontario health insurance plan premium increases of 17.5 and 37.5 per cent. We have been outraged in this Legislature about the amount of the increases. I recall in 1979 or 1980, when this government proposed a 37.5 per cent increase in OHIP premiums, the outrage in this House and right across this province was so great that the government and the then Treasurer were forced to back down to the extent of reducing that increase from 37.5 per cent to 17.5 per cent, by a full two thirds of what the increase would have been.

In the case of these lots I am talking about, as a result of this so-called equalization, this fairer system, for some of these semi-rural or suburban lots the increase in taxation was 500 per cent and 1,000 per cent, and in a few cases it was

2,000 per cent. In very few cases it was even as high as 5,000 per cent. Those are the highest figures I heard of. It is possible there were some even higher, but those are the highest figures I heard of.

Let us forget the 5,000 per cent figure, because they were very few in number. The majority of those suburban, semi-rural lots got increases in the range of 100 to 1,000 per cent. A 100 per cent increase in property taxes is unbearable, a 1,000 per cent increase is catastrophic and a 5,000 per cent increase is like the earth exploding.

The problem in that situation was that the government was not prepared to respond to those circumstances. This brings us back to the question of numbers. They were not prepared to respond because only about six per cent of the properties in Hamilton fell into that kind of category when they did the equalization. So what if six per cent of the electorate is upset and alienated? Six per cent of the electorate never elected a government and never defeated a government either.

We had, on the one hand, the massive shifts that would occur between multi-residential and single-family residential. Those shifts were avoided. Those two categories got taken care of because there were enough people—enough votes—to have an impact on the government's political mind. But the six per cent stuck in that little minority category of single-family residences had no consideration at all.

The government could have as easily created a separate category for those suburban, semi-rural lots as they did when they created a separate category for multi-residential. In fact, not only could they have created a separate category, they could also have created a separate category based on exactly the same evidence, exactly the same criteria and exactly the same rationalization as they used to create the multi-residential sector, but they did not do that.

The only conclusion that we over here can come to, and I think my Liberal colleagues largely agree with me, is that it got done in the one case and not in the other because of numbers. One group was a very small minority group and did not really matter, but the other group was a major group to be contended with. There were thousands of people living in apartments and there were thousands of people living in single-family residences in full-fledged urban developments. Both of those categories of people had to be dealt with, and dealt with fairly,

because of their numbers. That is the only conclusion we can come to, because they did not apply the same rationalizations and the same arguments for both groups. They neglected one group and provided for the other group.

Yes, the equalization program can provide some measure of limited benefits to property taxpayers in this province. In terms of fairness, equity and what we loosely refer to as equalization, the benefit it can provide is that if we take two very similar homes on two very similar-sized lots in the same municipality, it will likely ensure that ultimately the taxes those two properties pay will be very close or equal. Sometimes there are mistakes and that does not happen, but assessors are human and they sometimes make mistakes. There are sometimes mistakes and there are appeals, and people sometimes win appeals, but those are the only real inequities that are corrected by this section 63 equalization program.

8:30 p.m.

The section 63 equalization program avoids—not only avoids but wilfully avoids—the inequities between sectors and between classes. That same equalization process also wilfully avoids minority categories, categories that do not really matter because there are not enough properties in that category to really count for too many votes.

That brings me the next major objection we have to this bill. It is the section that says assessment notices, notices which for all of history, to the best of my knowledge, in this province have gone out to every property owner and every tenant every year to inform them of the assessed value on their property, their unit, or whatever the case happens to be, along with a description of the property or the unit and the occupants, will no longer go to every property owner and every tenant in this province but will only go, every year, to those who have properties, or parts of properties, on which there has been a change.

I do not think any of us on this side of the House would have any serious objections to that amendment, because it is a way in which the ministry is trying to save some \$3 million a year. We would have no objection to that if the notices were not the vehicle by which people are notified of their assessment and about the appeal process.

The assessment notice has been the apparatus by which every home owner in this province is informed in December—or sometimes later, if the ministry has a reason for being late and

applies under the regulations to be late with the mailing of the notice—what the assessment on his property is, the assessment on which he will be taxed. It tells them what time frame they have in which to appeal that assessment if they do not agree with it, how to go about it and where to send that appeal.

If those notices were not the apparatus by which that process occurs, I do not think any of us would have any objections to the assessment division saving \$3 million; but we have all been here over the past five years, and we have seen the number of appeals that have been going on as the equalization process goes on and as other approaches to assessment go on.

Sometimes it has been the equalization process that has generated a lot of appeals. Sometimes it has been a situation like we had here in Toronto in the fall of 1981, last fall and again this year in the city of Toronto, where they are not doing an equalization but they are doing major updates of additions and renovations to homes. These additions and renovations are not going on in what the assessment division refers to as supplementary assessment, but they are going on in updates of the regular rolls.

It is clear that anybody who gets updated is going to get a notice, that is fine. If they want to appeal, they can appeal. This would be the response of the minister and the assessors. However, I ask the members to think back to the last time a constituent came in to talk about an assessment problem or a problem with property taxation. How does a constituent know or decide that his assessment is perhaps wrong? He gets that feeling in two ways.

One may react to what he considers to be an unfairly high level of taxation. Another may say to himself: "Well, I know that property taxes are high. I have read about it in the paper. This is the first time I have been a home owner. I know property taxes are going to be high, but should they be this high?"

He goes next door to his neighbour, his friend down the street or his uncle two blocks over and says: "Well, George, what's the assessment on your house? My house is fairly comparable to yours; my lot is fairly comparable to yours; we are only two blocks apart. What is the assessment on your house, George? I think mine is too high."

George tells him what his assessment is. If his assessment is close, then the problem likely goes away. If his assessment is higher, the person probably shuts up, goes home and does not say too much very quickly. If George's assessment

is much lower, then the person starts asking questions and likely ends up appealing the assessment, because he has looked at comparable houses on comparable lots, in the same basic market area of his community.

The problem under this amendment is that George does not get an assessment notice because he did not make any changes in his house this year. He already has his recreation room; it has been there for five years. If the person put his recreation room in this year, there was a change and he would get an assessment notice. It was the addition of the recreation room, in fact, that made his house totally comparable to George's. However, he does not have a figure to compare with any more, because George cannot remember what his assessment was last year or the year before. He did not get a notice this year because there was no change.

The assessors or the minister will tell us the person can go down to city hall and get the assessment on George's house. This is true, very true. How many constituents know that? I would suggest that in my riding, and I think it is probably true in others as well, 10 per cent or less know they can go to city hall and freely get an assessment on anybody's property.

When people think about assessment they think about the assessment office, they do not think about city hall. They know the tax bill comes from city hall. However, when it comes to assessment, they think about the assessment office. If they go to the assessment office they will not get the assessment on George's house, they are not George. George can go to the assessment office and get the assessment on his house, but I cannot, nor can anyone else. We can get it at city hall. Anybody can look at the assessment rolls at city hall. However, most of my constituents, and I expect other members' constituents, do not know that.

This is one of the problems created by this change in the notice procedure. It creates a number of other problems as well.

8:40 p.m.

Over the last number of years, and I referred to it earlier, we have seen, at least in some municipalities, substantial increases in the number of assessment appeals. Those greater numbers of appeals have resulted from a number of things. In some cases they have resulted because there has been a section 63 equalization done. In other cases those increased numbers of appeals have resulted because somebody has latched on to a thing, whether it is a landlords'

association, a small business association or a home owners' association.

We had one of those in Hamilton. The minister probably had one in his area at some time or another. We had a group in Hamilton after the reassessment at percentage of market value in 1979, a tax reform group that formed where one had hundreds of citizens all involved in the same group, all appealing their assessments and all getting involved in trying to fight the level of assessment they had been stuck with.

There could be any number of reasons why those things happen, but what one finds is that because of the substantially larger number of appeals we have seen over the last few years the Assessment Review Board and the appeal stages above the Assessment Review Board are clogged. There is little progress. There are backlogs that stretch back as far as three and four years.

One gets a situation where there is an equalization program in 1979. The home owner appeals his assessment in January 1980. The appeal is heard in May 1980. The home owner wins the appeal and wins a reduction. The assessment office does not agree with the reduction, so they appeal it up to the next level. Vice versa, the assessment office wins at the first stage and the home owner does not agree with the decision so he or she appeals it up to the next level. But at the second level—whether it be the old county court or the present second step, which is the Ontario Municipal Board, the old third step, does not matter—those backlogs of appeals on appeals are stacked up to the eyeballs of everybody in the assessment division and everybody in the assessment review courts division of the Ministry of the Attorney General.

What one finds is that when somebody appealed in 1980 and won or lost but it has been appealed up to the second step, by the assessment officer or by the appellant depending on who won or lost at the first step, those are still stacked up. They have not been heard yet. The next assessment notice comes out. One does not have a resolution yet of last year's appeal, so one wants to appeal again to be consistent. One wants to appeal this year because one is still fighting last year's.

But because of these amendments there will be no notice this year. There are no changes, so there is no notice. How does one figure out when one is supposed to appeal? How does one know whether the registrar's office is still in the same place it was last year? One can look in the phone book, assuming one remembers at the

right time of year. How many of one's constituents will honestly remember whether it was January, February or March when they appealed last year?

They will remember it was winter. For most of us in this province, winter starts some time around December 15 and, depending on which part of the province we live in, it may extend until the end of February, the end of March, or in some cases even the end of May. How many of the minister's constituents are going to remember which month and which week they appealed in last year? Not very many.

The minister tells us: "We are going to do some advertising. We are going to put it on the radio. We are going to put it on television. We are going to put it in the newspapers." I think that is appropriate, but as the only method I think it is a joke.

I have been in and around this House long enough now to know something about reality as over and against naïveté. As the Environment critic of this party and this caucus for the last two years I have taken on environment issues in this House that have had front-page headlines in every major newspaper in this province, then I have gone out to public meetings after three weeks of press on the issue and found people who did not know what I was talking about.

So the minister and his staff should not be allowed to try to tell us that the one press release they do and the two or three or five days or even two weeks of ads they run somewhere in the major dailies of this province, not even necessarily in the front section but somewhere, are going to allow the people of this province to know and understand what the process is, because that is stupid, that is naïve and that is blind. It will not happen. All of us have been around long enough to know better than that.

We are in a situation where they are going to eliminate the notices every year except for those properties where there has been a change, but they want us to believe that people will know when to appeal because of some advertising campaign they are going to put on.

These are not comments I am making to the people from the assessment division but perhaps comments I am making to the minister and to his deputy. When they set up the new programs for seniors in this province, the property tax grants, we have constituency offices in our ridings and we had thousands of seniors phoning us and asking: "What is this new program about? I heard a bit about it, but I did not catch it and I did not see any ad in the

newspaper that I could read." The ads were there, but they did not see them. They caught the tail end of something on TV, but not enough of it to be sure what was happening.

We had the same seniors coming back to us when the government ran ads explaining why their cheques were late, why there were foul-ups. There were dozens of ads run by the ministry. This minister was not there then, but look back at the advertising campaign that was put on around that seniors program, and we still had seniors coming into our offices asking us questions because they had not seen the ads. The same thing will happen with this so-called advertising campaign he is going to put on about the appeal process for assessment.

When people get their assessment notices in the mail and they open them and ignore them, that is at their own peril. At least they got the notices and if they ignore them, so be it. But they got those notices with the instructions on the back about how to appeal, and if they really had a burning in their gut to appeal because they really believed their assessment was too high they did so. But when the minister starts playing the ad game, the people who happen to be on vacation when the ads are run will not see them.

We have had situations in the past where this ministry and the regional registrar under the Ministry of the Attorney General have been flexible, where appeals have been allowed to be accepted because somebody was out of the country when they sent his notice. We have had all kinds of exceptions made in the past, but what this amendment is saying to us and to a lot of ratepayers across the province is: "No more flexibility. We are trying to save money; no more flexibility."

8:50 p.m.

That brings me to another area which causes me some problems with the approach that is being taken by the minister, and I assume he is going to tell us in his response by the Treasurer (Mr. Grossman) as well, because I can recall very clearly over the five years I was the Revenue critic for this caucus, Ministers of Revenue repeatedly telling me: "Yes, I administer this act, but do not blame me, it is not my responsibility in terms of policy development. The Treasurer develops the policy, I just administer it." I would assume the new minister would have to tell us some of those things in his response. I understand that and I accept that.

But I expect as well that the minister who administers the program and sees problems with it, even if he does not have the power—in some

cases he is going to have the power to make changes and in some cases he may have to consult with the Treasurer—but I expect that even if he does not have the power in a particular situation where we are raising concerns, where we are raising problems, that those problems will at least get relayed to that gentleman in the front row, the Treasurer, who makes the policy decision in that area.

It is not good enough just to tell us here in this House: "I understand what you are saying, but I did not make that decision. It is not my responsibility, it is the Treasury policy that decides that direction."

He is supposed to be the prime expert in revenue assessment. He is supposed to be the guy who is getting all the feedback from his staff in the assessment division and it should be his responsibility to pass the complaints and problems along to the Treasurer, because unfortunately he is never here when we debate any of these revenue bills which we keep getting told are his responsibility. He is the one who sets the policy but he is never here when we debate these bills and none of the points we make ever gets directly put to the Treasurer.

One of the biggest areas of problems I have found relates directly to this bill and to what I see as the total abrogation of the minister's responsibility and the total lack of direction and progress in terms of the problems which this government defined in 1967, 1968, 1969, 1970, 1971, 1972, 1973 and 1974. They quit defining the problems after 1974 and started the progress of postponing, year after year, the solutions, or at least some of the solutions.

We have an appeal process and it does not matter whether we relate it to section 63 which we have here before us, whether we relate it to the old system which some municipalities are still stuck with, or whether we relate it to the full market value which a very few municipalities in this province have. The appeal process is fraught, riddled, with problems. Although some of the problems are technical because of the different methods of assessments that are used in various municipalities, most of those problems are related to the performance of the ministry.

Again, I say at the outset, the problems are not the minister's staff. I worked with the assessors in his ministry long enough to know what they are capable of and what their qualifications are. I worked with them long enough to know they are all basically sincere, honest, hard working and prepared to do the things that the

minister and his ministry are not prepared to allow them to do.

One of the things we find happening, for example, in the assessment appeal process which I as a former assessor cannot live with and which a lot of his assessors cannot live with—a lot of them have left because of these kinds of things—is the direction they get about how they should handle their appeals. These are directions which come ultimately from the top, perhaps not from the minister's lips alone.

I understand he is new and probably has not sent very many of these directions out, but it is one of the basic and primary problems we have had in assessment appeals. I have talked to the assistant deputy minister, Mr. Lettner, about it and he is sympathetic to what I have expressed. He understands what I am saying.

Because of the political paranoia on the part of the government—it cannot be put down to anything other than political paranoia—one of the problems we have had is that assessors are being instructed to go into the courts and defend assessments regardless of whether they are right or wrong. If an appellant has a problem which is individual, on a single property, the assessor will correct that problem and make a recommendation to the court. The appellant will not even have to go to the hearing and that problem will get resolved. No problem, as long as it is a single property.

The minute somebody finds a problem with the market value analysis on a neighbourhood, a major commercial street or a downtown commercial area, one has a problem because the assessor comes back and says: "Well, boss, commissioner, manager," or whatever it happens to be, "we have a problem because I found some errors and I do not know what to do. Should I make a recommendation for a reduction or should I try to defend these assessments?" That is not what it is supposed to be like.

Mr. Nixon: That is not what you did in Old Beverly.

Mr. Charlton: That is not what I did in Old Beverly; the member is right. I never let any of those managers on me. That is why they once tried to fire me.

The reality of what we find happening is that as soon as one gets a big problem—not a single property; they will fix the single property because that does not cause any problems for the municipality's so-called tax base. If I have one property that is wrong, the assessor is allowed to make his own determination about what he is

going to do. He finds an error. He makes a recommendation. He goes into court. The appellant does not even have to go. The assessment is corrected. But as soon as one has a big problem—it is still an error; it should still be corrected; the minister's predecessor, the member for Durham West, stood up in his place in that seat two years ago and told me that if there are errors and they knew they are errors, they would be corrected. I went back on the very appeals that I talked to him about in this House and there were no corrections. They fought us right down the line.

They fought us for a number of reasons. One was the directions coming out of the ministry head office. I do not know whether it came out of the minister's mouth, the deputy's mouth or the assistant's mouth; I do not know who made the first comment and I do not care. Ultimately, the responsibility is the responsibility of the minister. I will not try to get into where the blame lies.

9 p.m.

What happens in those cases is that they fight one whether they are right or whether they are wrong. The kind of situation one gets into as a result of that is not only fairly massive expenditures on the part of his ministry and on the part of the Attorney General's ministry, because he provides the staffing for the assessment review courts, but also fairly substantial expenditures on the part of constituents, home owners and ratepayers who are trying to appeal—businesses, apartment owners, industries, whatever it happens to be.

We are getting into massive wasted dollars no matter how one looks at it because people are being forced into cases that drag out. They are fought, they are adjourned twice and three times, and they are appealed up when they are resolved at the first level because the process that is happening is not honest and up front.

I want to give the minister a few examples so perhaps he can understand what I am trying to say.

Interjection.

Mr. Charlton: Well, he will start to understand it when the roof caves in on his head.

We got into some appeals in Hamilton-Wentworth a couple of years back.

Hon. Mr. Gregory: Speak slowly.

Mr. Charlton: Speak more slowly?

Mr. Breagh: More slowly. The minister is having trouble following.

Mr. Charlton: Okay. I will slow down a little here so he can understand.

We had a number of situations in Hamilton-Wentworth right after the section 63 program, the old section 86 program, in 1979. We had a number of areas that received rather substantial increases. The minister's staff are aware of this because I have been to talk to them about it already on a number of occasions, but I will give him a few examples so he can perhaps start to understand what I am talking about.

One of the appeals I personally had was on Upper James Street in Hamilton. It was a situation where in 1975, which was the base year for this section 86 update, they had seven sales on Upper James Street in the section between Mohawk Road and Hester.

Mr. Boudria: Hardly a base.

Mr. Charlton: Hardly a base. There were seven sales, five of which were fairly legit, up front and fitted in with everything else in the community. There were two sales that were 70 per cent above the other five, two sales from some screwball developer who really thought there was a market on Upper James Street for office towers.

There is no market on Upper James Street for office towers; there was not then and there is not now, but this developer went in and paid astronomical dollars for these two side-by-side properties so he could do an amalgamation and build an office tower for which he thought there was a market. This is what we have all referred to in debates in this House in the past as a speculator, somebody who had a vision, saw a dream and his dream evaporated in indigestion.

Mr. Boudria: Like John White.

Mr. Charlton: Yes, like John White, like Darcy, like a number of the others we have had around here.

He went out and paid astronomical dollars for those two pieces of property, dollars that were 70 per cent above the dollars that were being paid for any of the other properties on Upper James Street. He went ahead and built his office building with commercial on the first floor.

He bought the properties in 1975, so unfortunately they fell into the analysis of this 1975 market base. The building was built and finished in 1977 or 1978—I cannot recall which year now but it does not matter. That building is still sitting two thirds empty five or six years after its completion.

I want to tell the House about some of the tenants they did get in the one third they

managed to fill. One of the prime anchor tenants they got in that building—the sign is still up; it still smiles sweetly as one drives up Upper James Street—was Greymac Trust. Members will recall Greymac Trust from the debates we had last winter and fall. As I said, the counters are still in the Greymac Trust area. The sign is still up there smiling beautifully every time one passes the building. It is empty as well. They do not even have a third of that building filled right now because the main anchor tenant is long gone.

They have two thirds which have never been occupied and a third of the third that was occupied is now sitting empty again. There is no market on Upper James Street for office buildings, but office buildings happen to be the highest commercial rate that one could apply on that street for market value assessment purposes. Those two sales were used in the analysis on Upper James Street.

There have been multitudes of properties appealed under the appeal process and we have won some reductions through hard negotiations with the assessors. In some cases we could not negotiate settlements and we had to fight it in the courts, either at the assessment review board level or at some appeal levels above that. In some cases it was the old county court and some were going to the Ontario Municipal Board.

We have won some reductions, but I want the minister to understand that in none of those appeals have we won what those properties should really be assessed at. That is a comment from somebody who used to assess those properties for the ministry. In no case do we now have appropriate values on those properties. Because of those two stupid sales out of seven—because there were not enough sales in one year really to do a thorough analysis on them—by an uninformed speculator and developer, we have sawed off in the courts. The chairmen at every level have listened to the arguments from both sides and have sawed off in the middle. We now have values that were lower than they put on in 1979 but which are still considerably higher than reality. We cannot get any further because of the sawoff, the compromise, the negotiation mentality.

The decisions are not based on fact. The assistant deputy minister for the assessment division will tell the minister about another case I went to him about. The same situation happened in Satellite City, just outside the city of Hamilton in Stoney Creek, with section 86

equalization. In 1980, when Stoney Creek went to the equalized value, they were being based on 1975 market values. I want the minister to listen to this because this is a case where the government, of which he is a part of the executive council, not only caused the problem but refused the solution.

9:10

In 1975 the then Minister of Housing was very intensely involved in developments in a place they called Satellite City on Stoney Creek mountain. They were involved through the Ontario Housing Corp., the Ontario Mortgage Corp. and the Ontario Land Corp. They had all kinds of property on the Stoney Creek mountain. They basically led the development of Satellite City. In 1975 the Minister of Housing predicted that by 1985, in 10 short years, there would be 100,000 people in Satellite City, in a place where nothing existed at the time but a few farms.

The Minister of Housing blew it. I want the members to know that although those very ambitious plans for 100,000 residents in Satellite City were carried fairly far down the road in terms of subdividing plans and the rest of that development process, we are now in a situation where in 1983, two years away from his target of 100,000 residents, we have about 5,000 or 6,000 residents in Satellite City, not 100,000.

We will be lucky to reach 20,000 residents in Satellite City by 2020, 37 years from now. The Minister of Housing predicted 100,000 residents by 1985. I want the Minister of Revenue (Mr. Gregory) to understand the problems created by the prediction that 100,000 people would be living in Satellite City by 1985.

Speculators descended on that place like a flock of locusts and ate every blade of grass. They bought up every available property in sight. Some of the property they bought up was developed, but not much. Some of those speculators went broke, bless their lovely hearts.

Mr. Boudria: That is not nice.

Mr. Charlton: Maybe they did not go broke, but they certainly did not make their pot of gold at the end of the rainbow.

There is really one particularly unfortunate circumstance in that whole scenario. Most of the speculators who went in bought up exceptionally large parcels of land and paid very low acreage values for them. In particular, they were buying up farms. Perhaps they made a little or lost a little, but they got out with skin still on their teeth.

One category of speculator was particularly adversely affected by the prediction of the Minister of Housing. This was the small speculator—lawyers, real estate agents, small guys with an extra \$50,000 in their pocket they did not know what to do with that year. They went in and bought up some property just around the periphery of the initial development. That initial development of three surveys is all we have now. Those small speculators went in and bought up these small three-acre, single-family residences. As a matter of fact, they were VLA lots, bought basically by veterans of the Second World War under the Veterans Land Act. A few of them were even First World War veterans. They were lots and properties developed for veterans at a very low price.

These small-time speculators bought them up at roughly \$100,000 on the expectation of the phase two area of development; but phase one is all that has ever been developed. There were five phases to this so-called 100,000-people city. In fact, all of phase one has never been finished, but a good portion of it has. These small VLA lots were in phase two and phase three areas of the development, areas that have never been developed; but speculators went in and paid \$100,000 for these properties.

The assessors went out to update the 1975 market values in an equalization program and they found these speculator sales, where speculators went in and bought these two- and three-acre VLA lots. They dumped these sales into their analysis, which was a legitimate thing for them to do at the time, because at that stage nobody knew the bottom was going to fall out. Everybody was still living with the expectation that there were going to be 100,000 people in Satellite City by 1985.

What has happened is there are properties assessed at a level of maybe \$45,000 or \$50,000 whose assessments have doubled. That means the taxes doubled too. The speculators who bought some of these properties got caught when their taxes doubled. Unfortunately, the taxes doubled for the veterans who did not sell out to speculators but stayed in their own homes. Their properties did not get sold, but because the speculators bought some down the road, they got caught in the squeeze of the market value analysis. Their assessments and taxes doubled too.

In the initial stages there was not too much we could do about it because we could not prove much of anything until we saw the development start to fall apart. Finally, in 1980, the people in

those lots started to say: "This is all crazy. Not only have I never sold my lot for \$100,000, but the market has fallen out of the whole place. There is not going to be any major development in Satellite City. I could not sell my place for \$100,000 under any circumstances."

That was the reality in 1980, but in 1975 it was not the reality. When they did the analysis, there was not too much they could do to fight those appeals. The reality of what had created that so-called \$100,000 value had vanished. It was long gone. The speculators knew they had lost their shirts. They were never going to get their \$100,000 back out of that property. We knew it, the home owners knew it and the assessors knew it as well. The people who worked in the minister's offices knew it. What instructions did they get? "If it is a single property and you find an error like that, give the reduction. Let it go." But what happens when there are 40 properties in the category? They cannot let 40 properties go. That starts affecting the tax base of the municipality.

They have even gone so far in that ministry as to set up a system where, if one loses big appeals like that which affect the whole stretch of properties, they send somebody down from the head office in Toronto to find out why the hell they lost so many appeals. The pressure is on the local commissioner and on the manager who looks after the area in question. By the time one gets three steps down, the pressure is right on the shoulders of the assessor, the guy who looks after the area, to go into court and defend those assessments, whether they are right or wrong.

We go to appeal on them. Again, we win a saw-off. The assessor gives his evidence to the chairman. He says they are worth \$100,000. We go in and we give fairly well-documented evidence to the chairman that says they are only worth \$65,000. Mr. Speaker, I want you to guess what the chairman decided in those cases. We said \$65,000, the assessor said \$100,000 and the chairman sawed off at \$80,000.

9:20 p.m.

We end up with the taxpayers getting a reduction; they got an assessment of \$80,000. What is it related to? Is it related to the market value that the assessor said was right, \$100,000? Or is it related to the most recent sales we could come up with at \$65,000? It is not related to either. He sawed off in the middle some imaginary figure that sounded fair but is not based on market value, which we are supposed to have. It is not based on anything except goodwill, and I do not believe that if one goes through the

Assessment Act one will find assessed value based on goodwill anywhere in the act. That is the kind of thing we have going on in the courts, that is what is happening in the appeal process.

Do members know one of the arguments the assessors always use with you when you go to them with a problem that involves more than one property? As I said earlier, if it is one property and there is an error, they will fix it. But if you go to them with a problem that involves more than one property, do members know what the assessors always say to you? Do they know what the commissioner always says to you? Do they know what the assistant deputy minister says to you if you bring your problem to Toronto? "There is only so much we can do, because the bigger the problem gets, the more it affects the municipal tax base. If we don't watch it, sooner or later the municipal councils are going to be on our back."

That is true in some cases, I suppose. But we had a case in Hamilton this year where some commercial properties in Hamilton had been under appeal for the past three years. Unfortunately, they were all small businesses. These small business operators could not afford high-flying consultants, appraisers and lawyers of their own. They had been to appeals two years in a row and lost. They appealed their assessments again this year.

They had also gone to the city council to plead for help. The mayor came to me and said: "Brian, I know you used to be an assessor. Can you help us try to find a way to help these people in this village?" I said: "I do not know. I will try, Mr. Mayor. I will go down and have a look at the properties. I will go down and talk to the owners. I will go up to the assessment office and talk to the assessors."

That is exactly what I did. In fact, after my first round of discussions with the assessors and the assessment commissioner, I even went so far as to drag the mayor down to the commissioner's office so he could explain to the commissioner that he was not worried about the effects on his tax base in the municipality. He believes these people deserve a reduction; he believes they are over-assessed and overtaxed. The mayor and the council want these people to get a reduction. These are small businesses and they are going to go under because they are over-taxed in a very difficult economic time.

After all of that, I did not get anywhere. They did not want to set the precedent of admitting the error on which the whole package of assessments was based. They forced me and two

other consultants into a long, six-month battle; a battle, I might add, that cost a lot of money. It cost a lot of money for the assessors in the assessment division of the Ministry of Revenue; it cost a lot of money for the Attorney General's people because we had two postponements in those appeals; and it cost a lot of money for the appellants, who finally did win something—not as much as I think they deserve, but they did win something. We could not even negotiate a halfway settlement, a compromise. We had to go to court and fight it right down the line, and it cost everybody a lot of money.

We have a Minister of Revenue here tonight asking us to pass a bill that will restrict the sending out of assessment notices so that assessment notices will only go out every year to those on whose properties there have been changes, because the government wants to save \$3 million.

I want to tell you, Mr. Speaker, we are wasting 20 times that much in the way we run the inflexible system of government over there. The Ministry of Revenue and the Ministry of Attorney General in assessment matters alone are wasting five times that much every year by the inappropriate, stubborn way they operate to protect the reputation of assessment commissioners, or whoever it is we are trying to protect.

They are trying to save \$3 million by refusing to send out assessment notices to everybody in this province so that ratepayers will know every year what their assessment is and they will know clearly the dates on which they are supposed to appeal. That \$3 million they are trying to save they could save five times over without even looking at the rest of government over there.

They could save money just by being reasonable and flexible in the way they operate their assessment system, instead of making everything a fight from start to finish, where consumers, assessors and the Ministry of the Attorney General, which runs the review process, is forced to go through case after case, adjournment after adjournment; all of them, or most, unnecessary.

We are in a situation where we have been looking for reform in this province, and the government claims to have been looking for assessment reform and property tax reform in this province for well over a decade. The Liberal Party, the New Democratic Party and the governing party all basically claim to be looking for the same things, and yet we have made little or no progress towards that goal. We have accomplished very little in terms of new

fairness and new equity in the property tax system.

It is not the fault of property tax assessors in this province. The fault lies with the minister; and again, not necessarily with the present minister. We will wait to see how he is prepared to perform in terms of pushing for policy change, pushing for real change and real reform. We will give him a year before we start to criticize him, but we have to criticize his predecessors. We also have to criticize the predecessors of the Treasurer, the so-called policy magicians who have done nothing but pull rabbits out of their hats by their hind legs and then let them get away.

We have a situation where the people of this province were waved the carrot for five years in the early 1970s about an overall package of uniform and fair property tax reform. The string is still there but the carrot has vanished. It has not only dried up but it probably would not be very tasty any more anyway.

Everybody seems to be telling us from the government side now that section 63 equalization is the way to go, the way of the future; but it is a cop-out. It is a cop-out because it only deals, as I said earlier, with 25 per cent of the problems out there in terms of property taxation itself. It also avoids in total all the problems of municipal finance and transfer payments between the province and the municipalities; all the areas that have to be combined into a package of reform, if we want to see some real sanity and fairness in this province.

Mr. Piché: It is very obvious the member has never been in municipal politics with the type of comments he is making.

Mr. McClellan: Look who's back.

Mr. Foulds: I gather he is going to speak tonight. Come on, René, speak up.

9:30 p.m.

Mr. Charlton: The member for Cochrane North (Mr. Piché) is making some comments tonight. On Tuesday night when I was speaking to this issue, he stood up and did the old "Mr. Charlton, you are a bleeding heart" routine. I say to the member for Cochrane North that he has constituents who are paying unfair property taxes as well. It is time he got off his behind and took this whole issue seriously because his constituents, as well as my constituents and all the rest of the constituents of every member of this House, are being shafted in one way or another, either because they are paying too much in property taxes or because the services

they are getting are inadequate since the property tax system is totally unable to provide them with what the municipality really should be providing them with.

For all those reasons, I and my colleagues in the New Democratic Party caucus find our selves in a position where we cannot support this bill because of a couple of the provisions in the bill and because this bill totally fails to deal with those things that have to be done in this province if we want to see real progress with fairness and equity in property taxes in Ontario.

The Acting Speaker (Mr. Cousens): The member for Prescott-Russell.

Mr. Breaugh: En français.

Mr. Boudria: Thank you, Mr. Speaker.

Mon collègue d'Oshawa m'incite à m'exprimer en français dans cette assemblée ce soir et, comme vous le savez M. le Président, ça me fait toujours plaisir de le faire, surtout pour faire plaisir au député de Cochrane-Nord et au député d'Oshawa, et également à l'honorable ministre et député de Mississauga-Est. Je sais que ça lui fera plaisir de nous entendre discuter de sujets importants comme celui-ci à l'Assemblée législative ce soir.

Mais l'honorable député d'Ottawa-Est a parfaitement raison de dire que nous attendons tous avec impatience le discours du député de Cochrane-Nord qui nous parlera des problèmes d'évaluation dans sa circonscription électorale. Et je vous avoue, M. le Président, que je céderais volontiers ma place à l'honorable député de Cochrane-Nord s'il nous promettait de faire un discours à ce sujet immédiatement.

Pardon, le député de Carleton.

I will speak slowly, because the member for Carleton (Mr. Mitchell) tells me if I speak slowly he will understand more. I want to address a few topics on this bill—

Interjections.

Mr. Boudria: We do have a rotation. It is unusual that the government members, who are all there to incite opposition members to speak out, did not seize the opportunity themselves. After all, they had it.

I would like to speak briefly on a few issues concerning assessments. The matter of assessment appeals is one I would like to raise. I had a personal experience with this last year. I purchased a home in November, and the assessment notice was never sent to me because I purchased my home in November. In late December, I inquired through others and found

out the assessment notice had been sent to the previous owner, who lived elsewhere.

I asked the local assessment office to send me a notice so I could possibly formulate an appeal if I judged the amount was unfair. The local assessment office informed me it did not do that. Even if they acknowledge that one is the owner of the house, they will not send a notice of assessment because it sent one to the previous owner. They just assume the previous owner should be good enough to send the notice to the new buyer.

The principle of that just boggles my mind as to how the staff would decide this is the way to do things. Nevertheless, that is the procedure the ministry uses. I went to the municipality and found out what the assessment was. I never did get the notice from the previous owner.

Hon. Mr. Sterling: Your real estate agent should have taken care of that.

Mr. Boudria: The minister is speaking. He tells me the real estate agent should have taken care of all that. Obviously, the minister knows that I happen to know one particular real estate agent quite well and that is why he is raising the issue.

Mr. Roy: Is he talking about freedom of information again?

Mr. Boudria: He must be.

The assessment notice never did come. I went to the local town hall, found out what the assessment was and proceeded to formulate an appeal because I really felt I was being overcharged. The appeal was held in the first month or so of the new year. I do not recall whether it was in January or February, but I did go and present my case to the assessment review court.

It should be noted that the township of Cumberland, where I live, was reassessed under section 86 of the Assessment Act back in 1978 or so when I was on municipal council. I understand that is now called section 63. At that time, we were told by the assessment people who came in front of us—I was sitting as deputy reeve of the township of Cumberland—that from now on the assessment would be done according to market value. We would be equalized in classes, of course, because under section 86, now section 63, that was all we could do, but within those classes, assessment would be based on market value only.

Based on that information, which I knew only too well, having served on the council of Cumberland at the time we adopted that formula, I proceeded to make my appeal. My appeal

was done for two reasons. First of all, my home is located in what they refer to as an estate area; that is, an area of relatively large homes on large country lots. None of those country lots existed in 1975, which is the base year for this section 86, market value assessment. They started those kinds of subdivisions in my municipality in 1978.

The question members are probably asking themselves right now is, how could they establish a base for something that was not there? They could not, obviously; so they gave totally arbitrary figures to arrive at a particular market value.

Mr. Breaugh: But isn't that unfair?

Mr. Boudria: The member for Oshawa asks, "Isn't that unfair?" Obviously it is. I looked at homes throughout the municipality within the same class, the class being residential, and determined that their market value was roughly 60 to 75 per cent of what homes had sold for over the previous two years. I looked at my own case and noticed I was assessed at some 145 per cent of what I bought my home for.

In other words, if I could have sold my house for the ratio by which I had been assessed, I could have doubled the amount I paid for it. Needless to say, it is for sale to the minister right now if he wants to buy it at that kind of price. Obviously that is not the value of my home; it is totally erroneous.

I went to the assessment review court with this information and found the process rather intimidating, rather difficult. I presented what I had and made my case. I consider myself reasonably well informed in these matters—although the minister may disagree—certainly as well informed as most of my constituents, and I found the process rather difficult.

This is a relatively informal process by which individual ratepayers may go and appeal their assessment, and I found it a very difficult format in which to operate. I saw other ratepayers appeal their assessments there without having had the benefit of knowing how to go about appealing an assessment and not having any information from the minister. He should at least circulate a notice to them, informing them of facts they should bring with them to substantiate their case and things of that nature. Very few, if any, of those things were given to me or to anyone else appealing their assessments on that particular day.

In any case, after I had presented my case, I was cross-examined by the assessors as if I were accused in this particular case of having com-

mitted the formidable crime of appealing my assessment.

Mr. Foulds: Of owning a house.

Mr. Boudria: Yes. It was a criminal offence to own my own home, I suppose. I stood in front of this particular individual who cross-examined me, asking me such questions as, "Did you know your house was a good deal when you bought it?" Obviously, when anybody buys a home he buys a home of good value. It would be ridiculous to think that anybody would buy a home which is not a good deal. One obviously buys a home at a price that is affordable; otherwise, one would not be a home owner for very long.

9:40 p.m.

In any case, I lost the appeal, and I intend to appeal it again this year.

Mr. Breagh: Right now?

Mr. Boudria: Yes. Possibly the member for Hamilton Mountain (Mr. Charlton), who I am told is an expert in those matters, could come and assist me.

The reason I am raising this with the minister is to illustrate how difficult it is for anyone to appeal his or her assessment even though we are served, in some cases, with assessment notices at present. Imagine a situation when we are not served with those notices, just how difficult it would be. The system is very cumbersome, very difficult and very intimidating for an individual right now. For the minister to make the situation any more difficult than it is is totally unacceptable to me and I hope he will reconsider the decision not to have the assessment notices delivered to each and every person the way they are at present.

A couple of other matters I would like to raise on assessment are the following, again relating to my days at the municipal level in Cumberland township. When the municipality went to the section 86 market value assessment, we were told this was not a mechanism by which the assessment is increased. It was merely a redistribution of the assessment within a given class. That is fine. However, what happens is there is always a certain error factor and there are a number of appeals.

Throughout the whole process, one or two or three per cent, or whatever the statistic is—and I am sure the minister has such statistics for municipalities that have gone under that section—a portion of the assessment is lost through that process. When that happens, a municipality finds in the year it changes to section 86, now section 63, market value assess-

ment, that in the middle of that year it loses part of its tax base because of those appeals that arise from changing over to another system.

Of course, if the municipality had been aware that there is a certain error factor that happens all the time when that system is changed, it could have perhaps raised its mill rate by a small fraction in order to compensate for what happens in most cases when this situation occurs. If this were to start over again and I were in municipal office, I would think very seriously about changing that system because of all the inequities I have illustrated to the minister previously, as well as that part of the assessment that is lost in the year of the changeover. Municipalities should be made aware that this is something that happens when they change systems.

I would like to raise a situation that is happening now in my riding in regard to assessment lowering. I am referring to the very sad situation in the town of Hawkesbury. On December 1 last year the Canadian International Paper mill in my riding closed down. That mill is situated in Hawkesbury. On that day some 430 workers lost their jobs, roughly one fifth of the labour force of the town. Such an incident in itself creates a very serious financial burden on any municipality. A large segment of the population is on unemployment insurance initially and with the economic situation we have in Prescott-Russell and more particularly in Hawkesbury, subsequently that population ends up on general welfare assistance.

If that situation were not serious enough because the plant closed down, the assessment of that plant decreases. The problem that happened in Hawkesbury is the following. Civic officials examined this situation and said: "How much is the Hawkesbury Canadian International Paper Co. paper mill going to decrease its assessment? We don't really know." They figured there would be some slight loss. The city figured they would lose roughly \$100,000 in taxes because the plant closed down.

The Minister of Municipal Affairs and Housing (Mr. Bennett) thought in his wisdom that this was a good figure, I suppose, because he came up with a grant to that municipality of \$200,000 over two years, \$100,000 for each year, to get the municipality started again and to make sure the good people of Hawkesbury did not lose everything with this plant closure, as serious as it was.

However, recently the Assessment Review Board looked at an appeal that was made by

Canadian International Paper and decided in its wisdom to lower the taxes of the Canadian International Paper mill by \$825,758. Mr. Speaker, if you were a municipal official who had thought he was going to lose \$100,000 worth of taxes and you found yourself in the month of November having lost this amount of taxes, how on earth could you possibly recover that taxation from now until the end of the calendar year? It is impossible, of course.

The breakdown for Hawkesbury in so far as lost revenue is concerned is the following, and I am sure you will want to know this, Mr. Speaker. Hawkesbury itself lost \$309,103. The united counties of Prescott and Russell lost \$102,676. Of course, the plant is still there; it is just a mothballed plant. Le Conseil d'éducation de Prescott-Russell lost \$120,424; the same board of education but at the separate school level lost \$196,886, and the separate school board lost \$96,668. So altogether more than \$800,000 was lost in my constituency in one appeal.

The effect of that is just disastrous in my riding, and I am raising this issue with the minister right now to find out what kind of measures he intends to put in place to ensure that this kind of thing does not happen three quarters of the way through a year. There are a couple of things I can think of at the moment. When there is an appeal like this and it is settled in mid-year after the mill rate has been raised, is there a formula by which provincial assistance can come in at least to complete the tax base for that particular year?

There is nothing the municipality can do. They cannot go back and increase the sales tax, as the provincial government does; they cannot have a deficit, as the provincial government does, or all those other things that provincial governments do. They have the very real situation right now of having no money. That is true not only of the town, as I indicated, but also of the counties, the boards of education and the separate school boards. It is a very serious situation.

Another possibility is that perhaps when there is an appeal of this kind involving a large assessment, it would have to be made the year preceding or something like that. There has to be a formula by which a municipality that is totally helpless is not forced to hold the bag three quarters of the way through the year with a loss. I understand from civic officials in Hawkesbury that they lost 15 per cent of their tax base through this appeal alone. That is a

very serious situation and I certainly hope the Minister of Revenue (Mr. Gregory) can indicate to us if there are any plans to solve situations like that in the future.

I raise the case of Hawkesbury. It is a very sad case and I know all honourable members share with me the concern we have for that town. I am sure there are various other towns in this province that have single industries that have had a similar loss and are waiting equally anxiously for the minister's reply, because there is very little a municipality can do in a situation like this.

9:50 p.m.

I do not want to take much more time to discuss this matter. I think I have made my concerns known to the minister and I hope he will be able to respond to some of those things. I really urge him to change his mind about this issue of not sending out assessment notices.

As a person who is familiar with those things, the minister is probably of the opinion that if one gets one's assessment once and does not appeal it, that should mean one is agreeable to the assessment for which one has been charged and will be agreeable for ever thereafter or until it is changed. That is not the case.

These assessment notices are delivered at a very inopportune time of the year, right around Christmas when some of us have other things to do than read the bureaucratic forms we get. A few of us who do keep them to look at afterwards say, "Maybe this is unreasonable here," or start comparing with our neighbours saying, "Maybe I am being overcharged for my taxes." Unless each ratepayer is provided with those forms so he can compare with his friends, relatives and people living around him there will be even less occasion for him to get the justice he deserves.

Being the sensitive individual he is, I am sure the minister will understand we must give our citizens every opportunity to appeal their assessments. I know the member for Carleton, who was in municipal office for a long period of time at the same time I was, would agree with me that the residents of the city of Nepean would surely—for instance, with the high school taxes they are paying now—want to have all the opportunity in the world to appeal their assessments. If they are no longer served with assessment notices, I am sure the member for Carleton would agree they will have less of an opportunity than they have now.

Mais vous savez, M. le Président, qu'avec ce projet de loi, tel que présenté—les payeurs de

taxes de notre province ne recevront plus, dorénavant, de formule d'évaluation du ministère du Revenu; ils seront dans une situation très précaire. C'est pourquoi je supplie l'honorable ministre du Revenu, dorénavant, de s'assurer qu'on continuera à fournir aux payeurs de taxes de cette province les formulaires d'évaluation comme on le faisait dans le passé.

Je trouve le processus par lequel on fait appel aux décisions gouvernementales très difficile actuellement; c'est très intimidant même. Et je suis sûr que vous partagerez avec moi l'avis qu'il ne faut pas rendre ce processus encore plus intimidant qu'il ne l'est déjà. Il faut en effet le rendre plus facile afin que les payeurs de taxes de cette province puissent eux-mêmes aller devant les tribunaux d'appel afin de s'assurer que le taux d'évaluation qu'on leur applique est un taux raisonnable, parce que vous savez qu'il est toujours très difficile pour la plupart d'entre nous de payer nos taxes foncières.

The root of the whole problem is that slowly and gradually this government is increasing the burden of property taxpayers. The mere fact that education is increasingly funded by the acre as opposed to through the consolidated revenue fund is increasing hardship on each and every person in this province. I know the member for Scarborough-Ellesmere (Mr. Robinson), who is applauding at this time, is agreeing with me on this matter when we talk about the unfair burden that is charged upon the municipal ratepayers of this province.

The member at one time was working for the mayor of his city, who is now of course a federal Liberal member of Parliament. We know that a person who works for a Liberal for such a long time would have a thorough understanding of such matters and would therefore agree with me that there is an unfair burden being put on the municipal taxpayer by this government.

It is not so many years ago that the education burden, for instance, as I understand it, was paid by the property taxpayers to the tune of 40 per cent, with 60 per cent coming out of the consolidated revenue fund.

We are told that this is now completely reversed; some 40 per cent of the education costs are borne by this government and 60 per cent are paid from municipal taxes in this province. That is making a situation whereby an unfair assessment, as serious as it ever was, now becomes an even more serious situation with such a large burden on the municipal taxpayers.

The member for Carleton would know the effect of having so large school taxes, as is the

case in the good city of Nepean. When we have such a large proportion of the education costs paid by the municipal ratepayer, any inequity in the assessment is that much more serious on the people.

In closing, I want the minister to know that what he is proposing in respect of the assessment notices is not good. I would urge him to reconsider that position and to think of the very serious effect this will have on the population of this province.

Merci beaucoup, M. le Président.

Mr. Foulds: Mr. Speaker, I rise to oppose Bill 90 and I want to oppose it specifically because of section 2 in the bill. I find it really incomprehensible that this government would introduce a bill into the Legislature that would refuse in effect to notify taxpayers of the assessment against their property on which they must pay taxes. That is what has happened: they refuse to notify those particular taxpayers on a specific property by particular and specific notice.

This government, by its own admission, has increased its expenditure on advertising, because it argues that it must convey certain information to the taxpayers and to the people of the province. It admits increasing its public relations and advertising budget from about \$20 million a mere five years ago to in excess of \$40 million. In this case, where it has specific and legitimate information which should be passed on to the individual property owner, the government refuses to do so. It tries to save something like \$3 million in sending out these notices.

As my colleague the member for Hamilton Mountain said so well a mere hour or so ago, the government could have saved that money 10 times over in all kinds of different ways. He spoke specifically about reducing the arbitrariness, the inflexibility and the confrontational model designed by the Ministry of Revenue and the Ministry of the Attorney General. What he had to say on that subject I do not think need repeating. But I have been struck myself, only in the past year, because of certain happenings in the city of Thunder Bay, which I will get into in a moment or two, or three or four, by just how confrontational that model is.

10 p.m.

Before I do that, I want to say I believe that the debate on this bill is important and worth while because I believe this new minister is flexible much more flexible than his predecessor, much more tolerant, much more open to suggestion

for change, much more progressive than the previous minister.

Mr. Cassidy: No, no.

Mr. Foulds: I know there may be those critics of this minister who think otherwise. I hear a few voices raised in derision. I hear a few voices from the government back benches raised, saying: "No, not this man. We bear the scars too well from the last five years when he was chief government whip." But I believe this minister has been saddled with this totalitarian legislation that he now presents before the House and that he will be only too willing to withdraw it, to change it and to delete the objectionable section 2 of this bill.

I want to appeal to his sense of reason, his sense of fairness, his sense of humour and his rationality. In order to do so, I am forced to give the minister a bit of background about how his property taxation system has adversely affected the community of Thunder Bay. The minister may not remember that back in 1969, a year or two before his time as a cabinet minister or a member of this august body, the then Minister of Municipal Affairs, the Honourable Darcy McKeough—one is almost inclined to say the deceased former minister, but I hear that is not true—

Hon. Miss Stephenson: Scarcely.

Mr. Foulds: The Minister of Colleges and Universities, the Minister of Education, interjects, "Scarcely." Quite right. I hear that Darcy is alive and well and raising money for Jean Chrétien's bid for the leadership of the Liberal Party. He grew to have such an enormous admiration for Jean Chrétien while Chrétien was Minister of Finance and he, McKeough, was Treasurer here that he is out beating the Tory bushes of southwestern Ontario with his own form of tithing, taxation and so on, raising money on behalf of Jean Chrétien.

Mr. Rotenberg: What has that got to do with this bill?

Mr. Foulds: It has absolutely nothing to do with it. It was subverted by the interjection of the Minister of Colleges and Universities.

Hon. Miss Stephenson: The member said he was dead.

Mr. Foulds: Would you restrain her, Mr. Speaker, because she has, as was demonstrated this afternoon, become such a purring pussycat that we hardly recognize her. We want her to become a little bit more aggressive, but when she makes speeches, not when she interjects.

Mr. Rotenberg: Is the member going to get to the bill tonight?

Mr. Foulds: I am trying to put the bill into a bit of a historical context. I think this is allowed when one is speaking on principle, when one is trying to argue from precedent and example.

Mr. Rotenberg: It is a filibuster.

Mr. Breaugh: He has been talking for only five minutes.

Mr. Foulds: This is the shortest filibuster I have ever engaged in, if it is a filibuster. Five minutes. My goodness, I have barely cleared my throat. However, if the member for Wilson Heights is asking me to extend my remarks because the minister is not yet ready to reply since he is not in his place at present, I will be very glad to do so.

Some members of the House will remember—who do I see across the House who was actually in the House in 1969? Not a single one of the Tories sitting across there was actually in the House in 1969. So we need this historical lesson. We need the background even more. The then minister—

Interjection.

Mr. Foulds: Read? I do not need to read as this is so embedded in my memory.

Interjection

Mr. Foulds: I beg your pardon? Would you care to repeat that?

Mr. Breaugh: Try to speak up. Do not mumble.

Mr. Foulds: Right. I would be glad to cede my place if the member for Scarborough-Ellesmere (Mr. Robinson) this evening cares to make the last speech he is going to make in this Legislature and resume my remarks later.

Mr. Breaugh: He probably does not even know what the Magna Carta is.

Mr. Robinson: No, you are right. I was not elected when the Magna Carta was signed.

Mr. Foulds: The member just talks as if he was. His social attitudes are just those that were in currency at the time of the Magna Carta.

Mr. Speaker: Now back to the bill.

Mr. Foulds: Nevertheless, back to Bill 90. Members have to understand the effect of section 2 of Bill 90 on the community of Thunder Bay by going back to 1969.

In 1969 there used to be the city of Port Arthur and the city of Fort William and a couple of municipalities, two of which were called Neebing and McIntyre. The then Minister of Municipal Affairs, the Honourable Darcy

McKeough, during the days of regional government—remember those, the high-rising days of regional government and Design for Development and all that stuff?—forced an amalgamation upon the community that is now known as the city of Thunder Bay.

Into that city came kicking and screaming, unwillingly, the township of McIntyre, which had been part of the municipality of Shuniah, and part of the township of Neebing. They were basically rural communities and they still are basically rural communities. Nevertheless, they were amalgamated into the city of Thunder Bay, largely because there had been things growing up known as strip developments, in an attempt to get additional tax base to pay for the servicing that was necessary. For example, the township of McIntyre licensed a shopping plaza. It was the first shopping plaza actually to be built in the community then known as The Lakehead. That community was right on the very border of the city of Port Arthur.

The largest pulp and paper mill in the area is Great Lakes Forest Products Ltd., owned by CP Investments. It happens to be in the rural municipality of Neebing. The residents of those communities traditionally enjoyed relatively low residential taxes because, in the case of Neebing, there was a high commercial and industrial assessment for Great Lakes Forest Products Ltd., and the community of Shuniah looked forward to gaining increased commercial revenue from the new County Fair Plaza.

Darcy was not going to have any of that. He would make it all one big happy family. Unfortunately, in the last 10 years this has had a very bad backlash when it comes to property tax. There have been what one can only call tax revolts in both the community of Neebing, where the alderman for that ward, a Mr. J. D. Polhill, has for the last three years campaigned on the secession of that ward from the community simply because there has been the imposition of equalized market value assessment in Thunder Bay under section 63.

10:10 p.m.

If I may say so, the same kind of tax revolt arose in the township of McIntyre because large rural properties were being revalued, reassessed at what people call market value for an urban centre, even though those communities were rural in nature and in no way could the properties be subdivided. In McIntyre, for example, the properties cannot be subdivided into lots of less than two acres; yet the kind of market value they are facing is the kind of market value on

empty properties or on side lots and so on that is faced in an urban community.

The second part of that tax revolt, the second reason for it, is that the people in those two communities, those two rural wards, did not feel they were getting the same service as the downtown urban wards or the suburban urban wards, and they were not getting the same service. They do not get the same sewage systems; they do not get the same bus service they do not, frankly, get the same police service. There simply is not the same kind of coverage there is, say, in the downtown wards. On the other hand, some houses, particularly in the downtown wards, had been overassessed in value in comparison to some of what we call suburbs, some of the new developments like Grandview Gardens West, Northwood and so on.

The city of Thunder Bay made a decision to go into market value equalized assessment. They choose to do so. There were, as my colleague the member for Hamilton Mountain indicated, a number of notices. There was a lot of discussion about this. There was a lot of talk in city council and there was a lot of talk in the press. There was an attempt on the part of the ministry to inform people that this was coming in. There were open houses.

Nevertheless, when most people got their tax notices at the beginning of this year informing them of their new tax assessment, because it was on a new base, because it was on a new system and because it did not actually give a dollar figure of how much they would be paying in taxes, they had no idea whether they should appeal or not. They had no understanding, particularly when there was a big sticker across the notice saying, "This is not a tax notice," that they had to appeal within a certain time.

It was only some three months later when they actually got their tax bills that they realized they had been well and truly caught between rock and a hard place. It was only when they got their tax bills that they realized that what they had assumed, what they had been told would be a fairer taxation system was really not so very fair.

Then they tried to appeal. Some of them caught it just in time, but in a number of cases the deadline had passed for them to make an appeal. Some of them came to me as late as June or July of this year because they had been told their alderman and their alderman had said, "We cannot do anything. It is the province that is doing this to you." They had been told that

mayor, and the mayor had said: "We cannot do anything. You have to appeal that to the province." In a sense, that is true; one does have to appeal it to the province. But it was the city that implemented it.

Nevertheless, when they came to me and we led for an appeal, we were told it was too late. However, the constituents, Mr. So-and-So or Mrs. So-and-So, can appeal next year when they get their notices. If there is no change in the assessment value and they do not get their notices, how do they know when to appeal this coming year?

The government is going to put notices in the newspaper. They missed them last year. What strikes me as being very strange, with all of the attempts to notify people, is that there has not been the large scale advertising attempts to notify people of this program, equalized market value assessment in Thunder Bay and its implications, that there were, for example, with senior citizens' tax grants.

There are no two-colour or three-colour posters sent to my constituency office telling me that this is the time of appeal for property tax assessment. There are no big quarter-page ads or full-page ads with two striding figures, blue and red, to tell people there is going to be the proposition of market value assessment in the community or that it can be appealed. There are no flashy little jingles on television telling them to preserve and conserve their market value assessment. There just is not that kind of high profile, constant bombardment of propaganda. There is no advocacy advertising when it comes to market value assessment.

If the people who missed the appeal last year or a whole host of reasons do not at least have an individual notice sent out to them this time around, how does the government legitimately expect them to appeal within the appropriate time?

I simply want to outline three of the cases that were brought to my attention. I wish I had the files in front of me so that I could outline these cases in detail. Unfortunately, those files are back in my office in Thunder Bay and I will not be able to give all of the detail on these cases until we continue the debate on this bill next week. I will have the opportunity to obtain those files when I am home on the weekend.

I want to give the minister some idea of the injustice wreaked upon the community by the proposition by choice of the city of Thunder Bay of market value, equalized assessment or what-

ever one wants to call it. I want to relate some of the impact on individuals.

First, take the case of a small businessman, Nick Prsa, who runs Nick's TV on Camelot Street in Thunder Bay. One of the big arguments made time and time again in favour of the property tax system this bill amends was that in the downtown core taxation would be less because over the years they had paid more than their share.

In a large number of cases that was true. In a number of cases the assessment on some of the downtown Port Arthur businessmen did go down, but not in the case of Nick's TV. He happened to have built a new building right on the edge of the urban downtown core on Camelot Street.

That is a whole two blocks away from the Eaton's development in Thunder Bay, from the Keskus development in downtown Thunder Bay, which was part of the urban renewal program instituted in the late 1960s by the provincial and federal governments.

10:20 p.m.

Mr. Prsa had built a new building. He himself runs one business out of it, Nick's TV, as I informed the Legislature, and rents out three other stores in this small mall. The fact of the matter is that when he got his assessment notice, it was based on 1981 market value. Anybody who knows anything about property values in Ontario, and particularly in the city of Thunder Bay, knows that 1981 was absolutely the highest year one could pick when it comes to market value. It was the most inflated year when it comes to market value.

One of the flaws about market value is that there is no such thing as provincial market value. One cannot have hermetically sealed market value in a community. One cannot have the same market value of the same house with the same amenities in Thunder Bay as in Cornwall, Brampton, Hawksbury or Metro Toronto.

Mr. Prsa took his case to the review board and, I believe, to the appeal court, and in both cases it was turned down. When I talked to him about it, he said he might as well not have gone. It was like appealing to the Social Assistance Review Board. They had already made the decision. They simply were not going to allow any of the appeal.

One of the problems with this small business is that there is no comparable property. There simply is not another comparable property in

the whole community on which to base their so-called market value.

Interjections.

Mr. Foulds: The members opposite may want to make fun of small businessmen, who in this case are Russian immigrants who have made good in the entrepreneurial sense in Thunder Bay, but I sure do not.

The second case I want to bring up is that of Michael Hedican. Mr. Hedican owns a house on Pearl Street, at the corner of Pearl and Ambrose. I do not know the exact number but when I speak next week on this matter I will have the file before me and can give the actual lot number and assessment value.

Members will remember I talked about urban renewal in Thunder Bay. Mr. Hedican ran a business on Wilson Street, I believe it was, which was demolished in the urban renewal process. He ran Mickey's second-hand store.

In 1969, when his business was frozen, Mr. Hedican was a man in his late 50s. Basically he was told that the business, Mickey's second-hand store, could not be expanded. He could not make any improvements to it and it was ultimately demolished to make way for a bright, new modern development.

Do members know what the bright, new modern development is on that street right now? It is a bloody parking lot. This government did him out of his business. They paid him about \$60,000 for it. That is all. And at 58, what does he do? What he did with that \$60,000—actually, it was somewhat less than that—was to buy this home on Pearl Street. This home happens to have an apartment in it, and there is a small house on the back of the property which he rents out—

Interjections.

Mr. Speaker: Order.

Mr. Rotenberg: Will he admit now he is filibustering?

Mr. Foulds: No, not in the least. Mr. Speaker, on a point of order: If the member for Wilson Heights (Mr. Rotenberg) does not think it is the duty and obligation of a member of the Legislature to speak out in this assembly on behalf of his constituents when legislation is brought in that adversely affects their well being, then he is sadly mistaken.

Basically, this bill happens to amend what I call the Property Tax Act, the act that imposes property taxes on the people of this province. I am trying to give a little history of the case of

Mr. Hedican and show how this bill should not go through at this time because—

Mr. Rotenberg: Mr. Speaker, on a point of order: I submit that this is not a general debate on the taxation or assessment policy of the government and the legislation. This is a debate only on the bill before us. I submit that the honourable member is not talking about the bill before us in any shape or form. I ask you to ask the member to confine his remarks to the bill before us. This is not a budget or throne speech debate.

Mr. Breaugh: Mr. Speaker, speaking to the point of order: The honourable member, if he were aware of the bill before us, would know that the Assessment Act will apply to every piece of property in the province. My colleague the member for Port Arthur has identified some of those properties. The member may not like what he is saying, but it is related.

Interjections.

Mr. Speaker: Order. Having heard the explanation, I think we will hear from the member for Port Arthur and his remarks pertaining to the bill, and I may remind him that is Bill 90.

Mr. Foulds: Mr. Speaker, I am very pleased for those instructions and the fairness with which you delivered that decision.

What I am trying to show is why section 2 of Bill 90, which is the section that indicates the ministry no longer wants to send out notices to those people who do not have their assessment changed, is unfair to Mr. Hedican. All I am trying to do to make that argument is to give a bit of history of how Mr. Hedican currently arrives at the ownership of the house and property on the corner of Pearl and Banning Street. I was indicating that his business on Wilson Street had been demolished through previous policies of this government and the federal Liberal government and that he has used the money, inadequate though it was, that was granted to him in compensation for the demolition of his business on Wilson Street, to purchase the property which this bill affects—

Interjections.

Mr. Speaker: I think the member is being repetitious. I have heard this before. Now get on to the bill.

Mr. Rotenberg: I understand he is being repetitious.

Mr. Foulds: Does my friend understand it?

Mr. Speaker: I direct the honourable member's attention to the clock.

On motion by Mr. Foulds, the debate was adjourned.

BUSINESS OF THE HOUSE

Hon. Mr. Eaton: Mr. Speaker, may I indicate the business of the House for tomorrow and next week?

Tomorrow, November 4, we will be continuing the estimates of Management Board of Cabinet.

On Monday, November 7, in the afternoon, we will be completing the estimates of Management Board, followed by concurrences to be announced on Monday.

On Tuesday, November 8, afternoon and evening, legislation in this order: second reading of Bill 52; committee of the whole House on Bills 51, 52, 86 and 87; second reading and committee of the whole on Bills 90, 93, 94 and 92.

On Wednesday, November 9, in the morning, the usual three committees have permission to sit. In the afternoon, the private members' ballot items of Mr. Gordon and Mr. Piché.

The House will adjourn at 6 p.m. on Wednesday until Monday afternoon, November 14.

The House adjourned at 10:31 p.m.

ERRATA

No.	Page	Column	Line	Should read:
68	2477	2	30	Legislature after attending a reception hosted
68	2477	2	32	Shafiq Qaadri, who was top Ontario debater, 1982; Stuart Olley, top English debater,
69	2531	1	4	When the province spends close to 0.2 per

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No. 76

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Friday, November 4, 1983

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LEGISLATIVE ASSEMBLY OF ONTARIO

Friday, November 4, 1983

The House met at 10 a.m.

Prayers.

STATEMENTS BY THE MINISTRY

INSURANCE EXCHANGE

Hon. Mr. Elgie: Mr. Speaker, exactly a year ago today I announced that cabinet had approved in principle the establishment of an insurance exchange in Toronto. I also announced my intentions to appoint an insurance exchange advisory committee, chaired by Colonel Robert Hilborn, to study the proposal in depth. Today I am pleased to table the committee's report on the feasibility of an Ontario Insurance Exchange.

More than 50 professionals involved in insurance, finance, law, accounting and the Toronto Stock Exchange served on the advisory committee or its five subcommittees. I am very much aware that every segment of this report represents a synthesis of views formed only after careful study, discussion and debate. I would like to take this opportunity to thank all who contributed their knowledge and hard work to make this report possible. It lays much of the groundwork for the establishment of an insurance exchange in Ontario.

While the committee's mandate was to explore the feasibility of an exchange, it also served as a means of bringing together for the first time the many segments of the insurance industry and its regulators. By providing this forum for the exchange of ideas, the committee played a second but equally important role.

As the members will see when reviewing the report, the committee's findings are thoughtful, pragmatic and frank. In a nutshell, it concludes that an insurance exchange based in Toronto is a feasible commercial venture. It also concludes that the timing is right to move ahead with its creation.

As members are probably aware, an insurance exchange provides a central marketplace where insurance risks can be shared by member underwriters for a price negotiated on the floor of the exchange. This concept was created by Lloyd's of London, which has successfully operated as an insurance exchange for some 290 years.

I would like to point out that cabinet is encouraged by the results of this study. We, too, believe that Canadian underwriters and brokers need a market facility to place insurance and reinsurance locally.

This facility would in time reduce the estimated \$1-billion worth of Canadian premiums that now leave the country annually. An exchange would also strengthen Toronto's position as a major financial centre, raise the visibility of Canadian insurance companies and attract fresh investor capital. It would be run by its members much in the same way as the Toronto Stock Exchange runs its own affairs, with minimum government regulation.

This report clearly states that an insurance exchange can and should be self-governing and self-financing. However, it recognizes that more government assistance is needed to aid in the structuring of such an exchange. In the near future I hope to present a plan outlining what must yet be done to make the exchange a reality. This would include the drafting of legislation to create the exchange and plans to work out management and administrative structures and their financing.

Once again I would like to thank Colonel Hilborn, who is present in the Speaker's gallery this morning, and all the others who assisted in the first phase of the establishment of an insurance exchange.

TVONTARIO AND CJRT-FM

Hon. Ms. Fish: Mr. Speaker, it gives me great pleasure to inform my colleagues in the House of the admirable efforts of two of the agencies of my ministry, TVOntario and CJRT-FM.

For years, TVOntario has been extremely successful in broadening the cultural horizons of Ontario viewers. Since its founding 13 years ago, TVO has brought us award-winning broadcasts both in French and in English. It has won 150 awards at such prestigious international film and TV festivals as the American Film Festival, the New York Film and TV Festival and the Chicago International Film Festival.

As well, TVOntario has been a leader in the new technology, experimenting with direct broad-

cast satellite transmissions, pioneering the development of educational videotext services using teletext and videotext Telidon and introducing the use of computer-managed learning systems for educational TV.

With the distribution of one of TVO's most highly acclaimed series in Quebec and the United States, we in Ontario have even more reason to be proud.

The Computer Academy—some of us might know it as Bits and Bytes—the 12-week hands-on course that demystifies the computer world, is about to be launched in the United States. This series will be available in 10 cities, including New York, Los Angeles and San Diego, through a consortium of US public broadcasting stations serving more than 90 million people.

WNET, the New York Public Broadcasting System television station, will be distributing TVO's program nationwide starting in January to an expected registered audience of at least 75,000. In March 1984, more stations will be added, and by the third year it is hoped that at least 200,000 people will have been exposed to this very successful Ontario product.

I should note in addition that the French version of Computer Academy began broadcasting October 2 to more than 11,000 registered participants in Quebec. A co-production with Quebec's Department of Education, the course already has been broadcast twice in Ontario. A third broadcast starts November 9, and I would like to advise members that registrations and places are still open should any wish to sign up.

In marketing Computer Academy to the United States and Quebec, TVOntario has demonstrated its ability to generate revenue for the station. I should note that 75 per cent of TVO's funding is from the provincial government through my ministry, the Ministry of Citizenship and Culture, through the Ministry of Education and through the Ministry of Colleges and Universities. The rest comes from the sale of their productions such as Computer Academy and, of course, from support from the public.

Tomorrow marks the start of the second annual one-week TVO fund-raising drive. Last year's campaign generated 20,000 new members and \$630,000 for TVOntario. I know members will join me in wishing them an equally successful campaign this year.

I would also like to commend another agency of my ministry, CJRT-FM, for its excellent fund-raising efforts. The second membership

campaign this year ended October 2 with the station exceeding its goal of \$140,000 by more than \$600.

CJRT has had an enviable record in fund-raising since the station began its drives eight years ago. Fund-raising now accounts for 40 per cent of the total revenue, the other 60 per cent coming from a grant from my ministry. This year that grant counts for nearly \$1 million. So dedicated are CJRT's listeners that the returns on pledges of donations are 91 per cent to 93 per cent. In addition, the average level of donation at CJRT has risen to nearly \$40 per person.

At both CJRT and TVOntario, satisfied listeners and viewers have called in and written to show their support. I am proud to have two such outstanding resources under the aegis of my ministry, and I ask members to please join me in commending the fine work of TVOntario and CJRT and encouraging them in all their efforts.

10:10 a.m.

PROPOSED SECURITY AGENCY

Hon. Mr. McMurtry: Mr. Speaker, as members may know, a committee of the Senate yesterday recommended a major revamping of the federal government's proposed legislation establishing a new national security agency.

During debate on my ministry's estimates, my two Justice critics expressed interest in this matter and asked to be kept informed. The member for Kitchener (Mr. Breithaupt) and the member for Riverdale (Mr. Renwick) shared many of my concerns about this legislation, and in view of their comments and the interest voiced by other members of the committee, I felt a short statement would be appropriate at this time.

I welcome the committee's report, which endorses most of the concerns about the legislation advanced by provincial Attorneys General and which were set out in detail in my submission to the committee in August.

I am gratified that a committee of senior representatives of both the government and opposition parties in Parliament has seen enormous flaws in the legislation. In fact, the report represents a victory not just for provincial Attorneys General but for all the concerned organizations and individuals who rallied in opposition. It is also a triumph for common sense.

I am confident the federal Solicitor General will now recognize the basic flaws in his legislation, which do represent a significant potential

threat to the fundamental freedoms enjoyed by Canadians. The public interest would be well served by a retreat by the federal Solicitor General in the face of the thoughtful and reasoned report of the committee.

Although couched in polite parliamentary language, the committee report eviscerates the proposed legislation. It proposes more than 20 major changes to a 50-section bill. It leaves nothing but a skeleton or framework upon which a proper bill could now be built.

My only significant disagreement with the report is its failure to include the very thoughtful and reasoned dissent of Senator William Kelly in relation to the separation of the security force from the Royal Canadian Mounted Police. I have attached a copy of his dissent, which was not included in the report and which may be of interest to all members.

The principal issues raised in May by the provincial Attorneys General, which clearly also concerned the committee, were the excessive mandate to be given to the new security force, the lack of adequate control or supervision of the use of intrusive investigative techniques, the law-breaking power of the force and the lack of any real ministerial accountability.

Specifically, the committee agreed with the concerns set out in our submission on the following matters:

1. That the agency's mandate should be limited to what is strictly necessary for the purpose of protecting the security of Canada;
2. That the crucial definition section, section 2, was too broad and unduly vague, particularly in dealing with the security of all nations allied or associated with Canada;
3. That the protection of lawful advocacy, protest or dissent should be expressed in the affirmative;
4. That subsection 14(2), which would permit the proposed agency to use intrusive investigative powers in the monitoring of the "political, economic and social environment," should be deleted entirely;
5. That the ministerial accountability for the actions of the agency should be significantly strengthened;
6. That there was no real set of controls for obtaining a judicial warrant and therefore the legislation should adopt the criteria, for example, contained in the Criminal Code;
7. That section 21, which would permit the employees of the agency to do anything that was reasonably necessary in carrying out their duties, be changed so that the employees be subject to

the same limitations in relation to peace officers as contained in the Criminal Code;

8. That any decision of the federal Attorney General to withhold from provincial Attorneys General any reports of wrongdoing by members of the force be subject to review;

9. That provincial authorities not be required to have federal consent to prosecute security-related offences and that the inspector general should have access to cabinet documents relating to the role of the security agency; and

10. That the federal force has a duty to consult with municipal and provincial forces.

In conclusion, the document is really very thoughtful and articulate. It should be of great interest to all members of the Legislature and indeed to all Canadians. I strongly recommend that it be given the attention it deserves.

ORAL QUESTIONS

HYDRO REACTORS

Mr. Peterson: Mr. Speaker, I have a question for the Minister of Energy. Although it is difficult to understand because there are such different noises coming from the various parts of Ontario Hydro as well as from the minister with respect to the cost of refitting the pressure tubes, it appears more and more from the public pronouncements that this is in fact what is going to happen.

On one hand, we have the press reports from Mr. Nastich saying it would cost an estimated \$200 million to replace the pressure tubes in Pickering units 1 and 2, which I guess would average out to \$100 million apiece. At the same time we lay that against a press report on August 1, 1983, and I quote it to the minister: "Bad news could cost billions of dollars in Candu sales internationally and at least \$250 million per reactor if the tubes have to be replaced in similar nuclear units. 'We are biting our fingers on this one,' Hydro spokesman David Moses said yesterday."

Mr. Speaker: Question, please.

Mr. Peterson: What is the cost of replacing the pressure tubes in those nuclear generating units?

Hon. Mr. Andrewes: Mr. Speaker, I think it would help in answering the question posed by the Leader of the Opposition if I were to quote from a speech given by Mr. Nastich yesterday to the Empire Club. I will try to be brief and extrapolate some of the context of that speech.

Mr. Speaker: I think rather than quote the material—there has been far too much of that

going on—if you would just answer the question, please.

Hon. Mr. Andrewes: Then I would have to say to the Leader of the Opposition that, in the context of what Mr. Nastich said and what I have said in this House all along, Hydro has not yet reached the stage of saying what in fact needs to be done to repair the reactors, particularly reactor unit 2 at Pickering.

The question of retubing was always weighed in the operation of these reactors; it was always part of a program. It was first viewed as a 10-year program. It was looked upon somewhere down the road after some experience with the operation of these reactors that it could be deferred, that the problems of leaks at the roll-joint ends could be dealt with in a different way and that the length of time for the operation of these reactors with the existing alloy could be lengthened.

I tell the Leader of the Opposition that at this point the decision about retubing those Pickering reactors or Bruce reactors has not been made. Figures that have been thrown around are speculative, and they are not the kinds of figures I would want to say to him are firm.

Mr. Peterson: I am coming to the highest authority on this whole matter to get the indisputable truth. My question is, what is the cost of retubing one of those reactors. It is a simple question. What is the amount?

Hon. Mr. Andrewes: The figure thrown out by Mr. Nastich yesterday in his speech was 60 cents per month per electrical consumer for a 10-year period. It was a figure that was developed from a scenario related to the replacement of the tubes of the four reactors at Pickering and three reactors at Bruce. It included, of course, the replacement cost; it included the replacement fuel cost.

But at this point, given the fact that we do not know whether those tubes have to be replaced, I think it would be inopportune and inaccurate on my part or on Hydro's to say what that precise cost might be.

Mr. Rae: Mr. Speaker, I say with great respect to the minister that neither he nor Mr. Nastich can have it both ways. They cannot go around quoting a figure of 60 cents per month or any other figure per month over the next 10 years and then turn around say they do not have any idea what the replacement cost actually is going to be.

Mr. Speaker: Question, please.

Mr. Rae: Will the minister please do us the favour of providing us with the arithmetic that Mr. Nastich was able to use yesterday in coming up with this figure? Can he tell us what it represents in actual expenditure? Will he add up the figures and tell us what they are.

Hon. Mr. Andrewes: Yes, Mr. Speaker, I will provide that information.

10:20 a.m.

Mr. Peterson: May I ask the minister why he and Mr. Nastich and a variety of other Hydro spokesmen are always saying different things? How does he expect the public to understand what is going on when there are so many conflicting signals, as I have pointed out to him? For example, the minister said in this House on November 1, "I am informed that the projections Ontario Hydro makes with respect to the rates over the next decade allow it to say realistically it can keep the rates on average over the next decade below the rate of inflation."

We have a report on March 23, 1983, from Mr. Nastich, speaking in Vancouver, I believe, saying, "Electricity users can expect sharp pressure on rates for the rest of this decade." Mr. Nastich suggested that rates will rise more steeply than the 9.3 per cent a year average during the past decade."

Mr. Speaker: Question, please.

Mr. Peterson: How can the minister say the rates are going to be below inflation, while Mr. Nastich is projecting 9.3 per cent and sharp pressure? What is the truth in this matter?

Hon. Mr. Andrewes: I am not sure I understood the supplementary. Was it related to the question of retubing or are we talking about the question of rates? May I have some clarification from the Leader of the Opposition?

Mr. Speaker: With all respect, a supplementary question must be based on an answer from the minister and not on the main question itself. New question, the Leader of the Opposition.

Ms. Copps: He just asked for clarification from the Leader of the Opposition.

Mr. Speaker: That is not his role.

Mr. Peterson: That is a new defence the minister has raised in this House. Last week he was not paying attention or was not listening to questions. This week he is playing Speaker in your place.

SUNCOR EARNINGS

Mr. Peterson: Mr. Speaker, I have a new question for the Minister of Energy. It relates to

Suncor. He will recall that we had a discussion in this House—in his absence we discussed it with the Premier (Mr. Davis)—about the value of Suncor shares.

The minister knows that I purchased some shares of Suncor for about \$15 apiece, which represented about 13 or 14 times earnings.

Is he aware that if one compares that with the price of other major integrated oils, Texaco at about the same time was trading at about 14 times earnings, Imperial Oil A at about 17 times earnings and Gulf at about 16 times earnings? Would he not agree with me that this sets the trading range at from 14 to 16 times earnings for major integrated oils, that this is another reason the value of those Suncor shares is established at about the \$15 level and that this represents the real market value today? Would he not agree with that pricing analysis?

Hon. Mr. Andrewes: Mr. Speaker, I would not agree because the Leader of the Opposition had predicated his question on the basis of the purchase of 10 Suncor shares that he likely purchased from one of his friends in London. If he wants to get some sense of where Suncor has been going in the last nine months, following a very difficult situation in 1982 and a very difficult situation at Fort McMurray, that company is now one of the most profitable companies in the oil and natural gas business. He can look at the third-quarter financial statement of that company; it will verify that.

Mr. Peterson: I congratulate the minister because it is true Suncor earnings were up about 44 per cent this last quarter.

Hon. Mr. Andrewes: In the third quarter.

Mr. Peterson: In the third quarter. Does he realize, when he looks at the carrying costs on our share of those Suncor shares—

Hon. Mr. Davis: Aren't you glad you bought them?

Mr. Speaker: Order.

Mr. Peterson: Could you contain the Premier's nervous response to this whole question, Mr. Speaker?

I realize earnings went up 44 per cent in the third quarter, but does the minister realize that when one calculates the carrying costs to the taxpayers of Ontario minus the increase in earnings, at least our share thereof, it has now cost \$129,879,374 net out of pocket to the Ontario taxpayers to carry that investment for the last year and three quarters? Does he realize that?

Hon. Mr. Andrewes: The Leader of the Opposition should be congratulated on his prudence in speculating in the oil and gas market. He obviously got a good deal for his purchase at \$15 a share to be able to reap the benefits of those dividends and those third-quarter earnings.

In response to his question, one wants to take into consideration the background of this whole situation, the question of energy security, the currently deteriorating political situation in the Middle East, the investment of over \$1 billion made by Suncor in this country in the last year and the 1,300 jobs that were created as a result of this investment, half of them in Ontario. There is a long list of jobs I could recite for the Leader of the Opposition in ridings of various members, including members of his caucus.

Mr. Peterson: I remind the minister that none of those things has anything to do with Ontario's participation in that company; nothing.

Mr. Speaker: Question, please.

Mr. Peterson: The minister will recall that before he achieved his now elevated position he too expressed some concern as a humble back-bencher about the purchase of Suncor. Indeed, as a back-bencher, he went to the briefing held for the Tory caucus at that point. When he emerged from that meeting with Suncor and financial officials, he is quoted as saying: "I am no wiser now than when I went in. I have studied the material and I learned nothing new."

Does the minister know anything new to justify this expenditure?

Hon. Mr. Andrewes: I think one should put the statements I made in some context in terms of why I was at that caucus. As members of this caucus we were given an opportunity, as were members of the Liberal and New Democratic caucuses, to talk to representatives of McLeod Young Weir and the Ontario Energy Corp. about the Suncor purchase.

Prior to that, the Leader of the Opposition was provided with several documents that talked in terms of the reasons and the logic behind this purchase, the company itself and its background. I, along with members of the opposition, was able to consider those documents. My comments with respect to that particular discussion we had related to the evidence that was obviously in those documents for most people to read if they were inclined to do so.

INFLATION RESTRAINT LEGISLATION

Mr. Rae: Mr. Speaker, my question is for the

Treasurer and it concerns the decision by the Inflation Restraint Board to roll back the award at the Sensenbrenner Hospital, thereby taking more than \$1,000 directly from the present wages of an orderly making just over \$18,000 a year, and \$750 a year right out of the pocket of the nurse's aide making just over \$16,000 a year.

How can the Treasurer possibly justify this kind of thing happening in Ontario, given the very difficult circumstances people in hospitals have been working under for many years and given the fact that the rate of inflation is now at five per cent? How can he possibly justify this kind of thing happening today?

Hon. Mr. Grossman: Mr. Speaker, there is no question the circumstances trouble me a great deal. Accordingly, I have asked for a full report to be provided to me by the Inflation Restraint Board as of this morning.

Mr. Rae: It is a little late now. The government passed the legislation last year.

What does the Treasurer plan to do for those workers in Kapuskasing whose wages have been rolled back to that extent? They were not rolled back in some abstract way, but rolled back in very real terms. What does the Treasurer plan to do when he gets the report? What is the report going to say? We know what the report says, we know what the decision says and we know the statements that have been made by members of the board to the press and other people. Exactly what does the Treasurer plan to do for these people?

10:30 a.m.

Hon. Mr. Grossman: Just as I indicated yesterday that I thought we should not be talking about referring legislation to the courts when we had not yet seen the legislation, I think it is appropriate for me first to have an opportunity to look at that report in the context of all the background, which has more to it than the member has presented, and to decide at that time what action might be appropriate in the circumstances. I have already indicated that I share with the member, and I suspect everyone else, some sense of grief at what has happened here.

Mr. McClellan: Don't you think "embarrassment" is the word?

Hon. Mr. Grossman: That is not the case. The fact is, the board believes it is acting within the legislation. The board has acted responsibly over the course of this year in making determinations.

As the member may well know, in this case the board has already exercised some discretion and allowed the first portion of the agreement, the 11 per cent portion of it, to flow through to the workers. In this circumstance with regard to phase 1 of the agreement, the board has exercised its jurisdiction under section 22, I think it is, to try to alleviate the circumstances.

As I understand it, it is the board's opinion at this time that it does not have that flexibility and discretion under the legislation. If their interpretation of the legislation is true and accurate, if they do not have the flexibility to resolve this problem, what it indicates is that the point this government made several weeks ago is accurate and year two of the restraint program is going to require a greater degree of flexibility to ensure that these kinds of things cannot occur.

Mr. Rae: That will come as a real comfort to them. That will make them feel a lot better. You obviously have a report.

Mr. McClellan: You have all the facts.

Hon. Mr. Grossman: Why do we not wait until we have the report and the new legislation and see what might be appropriate?

I have already indicated I am looking into the circumstances. It is important to note that the administrator of the hospital agrees with the workers and with the Treasurer that this is a problem and we should get a report on it and see what can be done.

Mr. Peterson: Mr. Speaker, our Bill 39, An Act to amend the Inflation Restraint Act, and I am referring specifically to section 2, says, "Subsection 1 does not apply to a compensation plan that expired before October 1, 1982, and became the subject of binding arbitration on or before September 21, 1982."

Does the minister not realize that if his government had supported our bill this injustice would not have occurred? Will the government support a private member's bill that we are going to introduce today that will rectify this specific injustice?

Hon. Mr. Grossman: Mr. Speaker, let us be clear. If one of his amendments had carried last year they would be locked into a two-year program. The Liberal Party of Ontario was advocating a two-year program last year. To be fair, it indicated at no time that if its other amendments did not carry it wanted a one-year program. From day one it wanted a two-year program. If that had passed, these workers would not only be facing the difficult circumstances they are facing now, about which we

want a report to see if anything can be done to correct it, but the Liberal Party would also have locked them in for another year.

Instead, this government wisely reserved to itself last year the option of dealing with a one-year program knowing that some of these inequities could turn up and then we would have the opportunity of taking action at the end of this year if we decided we had to extend the program at all.

On balance, notwithstanding whatever amendments he wishes to make today, the fact is he was in favour of a two-year lock-in program. Our decision on this side, which is that one should not do these things for longer than a one-year time frame, is obviously the right route to go.

Mr. Peterson: Mr. Speaker, I must rise on a point of privilege because the Treasurer is factually incorrect. I refer him to Bill 39.

Mr. Speaker: Order, please. That is not a point of privilege, with all respect.

Ms. Copps: Of course it is.

Mr. Speaker: No, it is not.

Mr. Peterson: I have an obligation to clear that up in this House.

Mr. Speaker: Order. You may correct the record, if that is what it is.

Mr. Peterson: If you will be seated, Mr. Speaker, I will proceed to correct the record and/or inform the Treasurer of the truth of this matter.

Mr. Speaker: Just one moment. You may correct the record in so far as any statements you have made have been misinterpreted or misunderstood.

Mr. Peterson: As Speaker, how can you tolerate a Treasurer who deliberately distorts the truth?

Mr. Speaker: That is not my role in this House and you know that very well.

Mr. Peterson: Mr. Speaker, again you are exercising your discretion, I would suggest to you, in a way that is not commensurate with your responsibilities to govern this House.

Mr. Speaker: No, I am not.

Mr. Peterson: How can you allow him to go on perpetuating an untruth?

Mr. Speaker: There is nothing in the standing orders—you know it as well as I do—to question the Speaker.

Mr. Rotenberg: Mr. Speaker, on a point of order: I believe I heard the Leader of the

Opposition say, "The Treasurer is deliberately distorting the truth." I think that is unparliamentary language and I would ask him to withdraw it.

Mr. Speaker: I shall take a look at the record. I honestly did not hear that.

Mr. Rae: Mr. Speaker, to watch a lovers' quarrel really does cause tears in one's eyes. They needed to replace the mace with a crowbar for four months last year because these two people were so close together.

Interjections.

Mr. Speaker: Order, please.

Mr. Rae: I have obviously touched some kind of chord.

Mr. Speaker: Order. I am sure it will work out of everybody's system in a little while.

Mr. Rae: Mr. Speaker, the Treasurer is saying that what happened in this instance shows that next year should be different. I want to make it very clear to the Treasurer that we disagree. It shows that last year was a terrible mistake and that what the Inflation Restraint Board has done is not some kind of accident; it is done because of the lousy legislation which put workers in a straitjacket in Ontario.

Mr. Speaker: Question, please.

Mr. Rae: It is not an accident. I would simply like to ask the Treasurer, is he going to stand up today in this House and say he is going to take measures to make sure that the workers at the Sensenbrenner Hospital in Kapuskasing do not lose the \$1,000 they are going to lose if the Inflation Restraint Board decision goes ahead? Yes or no?

Hon. Mr. Grossman: This is a method of proceeding that may be foreign to the member, but I really do prefer to look at the documents and get a report and not make a decision based on the newspaper accounts.

EXTRA BILLING

Mr. Rae: Mr. Speaker, my next question is to the acting Minister of Health and it concerns a question about extra-billing practices. I would like to ask the minister if he would comment on this circumstance, in which a young girl was admitted to hospital for a tonsillectomy and the practising anaesthetist advised the mother five minutes before the operation that he was planning to bill an amount above the Ontario health insurance plan rate.

I would like to quote to the minister very

quickly from the letter that Mrs. W., as she has asked to be called, has written to the anaesthetist:

"While I was made aware prior to my daughter's surgery that you would be charging more than the amount paid for by OHIP, I hardly had the option to choose another doctor whose fee did not exceed that paid for by OHIP since I was informed of your billing practice only five minutes before my daughter was taken to the operating room, when she was sitting undressed and ready for surgery in her hospital room."

Does the minister genuinely feel that this woman had a choice with respect to extra billing in that situation?

Hon. Mr. Wells: Mr. Speaker, if the facts are as my friend has said, she obviously did not have a choice. But as I stated the other day in answer to a question to the member for Windsor-Riverside (Mr. Cooke), I think we should have the names and have an opportunity to check all the facts out. As a matter of fact, I have checked all the facts out concerning the case that my friend brought up and I think they are slightly different from what he had indicated.

While I hesitate to get into discussing these things in the House, and I do not intend to, I intend to do a little more research. But I suggest that probably the details are a little different from what my friend indicated and that this person will be well served by the system.

I agree that if someone is told five minutes before she goes into the operating room, she obviously does not have a choice, but I would like to check all the details before I give the member any answer or further discuss that particular case.

10:40 a.m.

Mr. Rae: I asked for an answer to my question and not an answer to somebody else's question. I would be very happy to provide the minister with the entire file which has been provided to me. I would like to advise the minister that subsequent to the operation taking place, which it did, the woman in question refused to pay the additional amount the doctor insisted on charging.

Very briefly, I would like to read to the minister another letter from the managing partner—just one quotation—and I would ask the minister, does he agree with the statement from the managing partner of Don Valley Anaesthetists, who said: "It is also apparent that you are misinformed," says the good doctor in replying to the lady, "as there is only one fee schedule for medical services in Ontario and it is

that published by the Ontario Medical Association."?"

Is the minister aware that doctors are sending out letters of this kind? Does he agree with the statement? What does he intend to do about it?

Hon. Mr. Wells: This is the worst kind of situation to comment on. I have not seen the letter. I do not know what was in the three paragraphs before or what was after. I do not know who wrote that letter.

Mr. Rae: If the minister wants me to read it, I will read the whole thing.

Hon. Mr. Wells: No, it is not proper to read the whole letter in question period either. However, there is certainly more than one fee schedule in this province. There is one Ontario Medical Association fee schedule, but there is also an Ontario hospital insurance plan fee schedule of benefits.

Ms. Coppes: Mr. Speaker, does the minister believe it is accessibility in this case? Mrs. Lila, from Downsview, who has already had two opted-out babies, is due to deliver again early next year. In contacting the Ontario Medical Association, she discovered that there is no opted-in physician registered with the York-Finch General Hospital.

Does the minister believe that a choice existed in the situation stated by the leader of the third party? Does he believe there is a choice in this particular situation, where a person cannot have a baby at a hospital in Metropolitan Toronto because there are no opted-in gynaecologists available at that hospital, according to the Ontario Medical Association?

Hon. Mr. Wells: Mr. Speaker, I am not going to discuss individual cases. I believe there is adequate accessibility in this province and I believe in the system we are now operating.

Mr. Rae: I would also like the minister to comment on this practice in this same instance.

Hon. Miss Stephenson: You don't have to go to a gynaecologist to have a baby.

Mr. Rae: I hope the Minister of Education (Miss Stephenson) is listening to this because it might educate her as to what is going on out there in the streets.

The lady has now received five dunning letters from Dixon Commercial Investigators Ltd. She has also received final notice before suit, which says: "This is to advise you that within 48 hours the court will be instructed to issue a summons. If you intend to pay to avoid the expense and embarrassment of legal action,

it is necessary that you remit at once to Dixon Commercial Investigators Ltd. Do it now."

Mr. Speaker: Question, please.

Mr. Rae: Is the minister aware that this kind of practice is going on in the province? What is he going to do to see that it is stopped?

Hon. Mr. Wells: As my friend says, in certain instances one makes arrangements to deal with an opted-out doctor. She knows, if she followed the law, that if she does not pay her bills there are certain procedures that can be taken to reclaim those bills.

I get right back to what I said a few minutes ago. If the member will send me all the details, I will look into it. I have to emphasize that more than ever based on the case my friend from Windsor put forward the other day, the details of which are quite different to those that were put forward in this House, I have to look at all those cases before I am going to comment on them.

OTTAWA-CARLETON COURT SCHEDULES

Mr. Roy: Mr. Speaker, I have a question of the Attorney General.

Interjections.

Mr. Speaker: Order. The member for Ottawa East will place his question and never mind the interjections.

Mr. Roy: It is awfully tough, Mr. Speaker. You realize I am being provoked.

The Attorney General will recall that I spoke to him earlier in the week about the resignation of our most senior judge in Ottawa, Judge Sherwood, a senior judge of the provincial court, criminal division. After 23 years on the bench and with an impeccable reputation for fairness and objectivity, he has resigned from the bench, citing reasons of frustrating delays and lack of expediency in the administration of justice in the Ottawa-Carleton area.

Judge Sherwood went on to say that his frustration was to a point where he had made complaints at various times to his superiors and to superior people within the ministry in charge of the administration of justice with no result. "With no result" is what he said. He said he had made complaints to some of the minister's senior officials with no result.

Hon. Mr. McMurtry: That is not quite the fact.

Mr. Roy: That is what he said.

Mr. Speaker: Question, please. Never mind debating.

Mr. Roy: It is right here. I am quoting. I gave the Attorney General notice of this two days ago when he was hiding behind the Tory caucus.

Mr. Speaker: Would the member please place the question.

Mr. Roy: My question for the Attorney General is simply this: Does he agree with the position he has taken, or is he familiar with the situation in Ottawa stated by Judge Sherwood, that if one wants a trial or a preliminary hearing a person cannot have one, if a date was set today, prior to May or June, 1984?

Given these circumstances, what is the minister going to do to expedite matters in the Ottawa-Carleton area so that we stop or do not make a practice of losing people of the calibre of Judge Sherwood?

Hon. Mr. McMurtry: Mr. Speaker, I am grateful that the member for Ottawa East drew this and the specific press stories to my attention earlier in the week. It did give me an opportunity to speak to John Cassells, the crown attorney. I gather from what he had to say that there are some real problems with respect to scheduling of the cases.

The press clipping the member showed me earlier in the week made some reference to Judge Sherwood having spoken to his superiors. The only superiors Judge Sherwood has would be the senior judges. No judge has any superiors in the Ministry of the Attorney General. I know the member for Ottawa East is well aware of this.

I am told by the crown attorney that more effective or efficient use can be made of the existing courtroom facilities and of the judges who have responsibilities in this area. I am told that, because of some of the scheduling difficulties, unfortunately, the courts often are not being utilized at all except for one or two hours a day. There are problems that have to be addressed. I am going to be discussing the matter further with Chief Judge Hayes and will probably be meeting with him and Senior Judge Hutton in Ottawa, together with Mr. Cassells, in the relatively near future to discuss the matter further.

My only other comment would be that if the situation is as bad as the particular press report suggests, I would have expected the distinguished member for Ottawa East to have brought it to my attention personally because of his own experience in these courts.

Mr. Roy: Even the Attorney General is enlightened enough to know that is what I am doing here. I am bringing it to his attention personally.

I want to know from the Attorney General his exact position on getting more funds to have more personnel to expedite the administration of justice. There are different signals coming out of his office. For instance, in 1982 he was quoted in the *Toronto Star* as saying, "The government is not allocating enough resources to justice in this province." He went on to say, "We have always been the poor cousins of the government." This was in 1982.

Mr. Speaker: Question, please.

Mr. Roy: Mr. Speaker, if I may say just briefly, in the estimates which have just taken place—completed in October 1983—the Attorney General was quoted as saying, "Our trial delays in most areas of the province are not a significant problem. They are isolated."

First, Judge Sherwood is not a man who has a reputation for making rash statements. I would ask the Attorney General very simply is he prepared to undertake to have someone speak to Judge Sherwood? I think the administration of justice in Ottawa-Carleton is going to be much poorer with the loss of this individual. Is there a possibility of getting this individual, this man who has such a tremendous reputation, to reconsider?

Second, would the Attorney General, when he is referring to isolated instances of trial delays, indicate whether the situation in Ottawa-Carleton is different from or worse than that in most areas of the province?

10:50 a.m.

Hon. Mr. McMurtry: I would certainly agree with the member for Ottawa East that Judge Sherwood has served the administration of justice in this province for 23 years with distinction and that his views are obviously very relevant. But I would also like to make the further observation that when we look at the case load in Ottawa compared to that in other areas of the province and look at the judicial and other resources, including courtrooms, that are allocated to that case load, we find the resources in Ottawa are not less in relation to the case load they have to deal with than those in other parts of the province. It is clear that there is a scheduling problem, and this matter will be addressed.

Mr. Kennedy: Mr. Speaker, would the Attorney General in his discussions with Judge Hayes

and other members of the judiciary extend the discussions with regard to court delays and court facilities to other areas of the province as well?

Hon. Mr. McMurtry: Yes, Mr. Speaker.

PICKET LINE HARASSMENT

Mr. Mackenzie: Mr. Speaker, I have a question for the Minister of Labour. Is the minister aware of the continuing concern by union members across Ontario with regard to what they perceive as harassment or intimidation by some police forces and security firms?

Specifically, is the minister aware of the continuing problem—I stress "continuing"—on the picket line of the Shaw-Almex Industries strike in Parry Sound? Is the minister aware of the more than 800 police visits to the 51-member unit that was on strike at Polysar in Cambridge, a strike that fortunately has now been settled? Is the minister aware of the use of cameras by the company right on the picket line in the Indalex strike in Toronto within the last two or three days?

Hon. Mr. Ramsay: Mr. Speaker, yes, I am aware of the circumstances the honourable member has described. Perhaps I can deal with the Shaw-Almex situation in Parry Sound first and indicate where we stand as far as mediation is concerned because, of course, that is the quickest solution to the problem the member has described.

A number of mediation meetings have been convened to date, and the director of our conciliation-mediation service has been personally involved. A further mediation meeting is now scheduled for later this month. We are hopeful that discussions on that day will prove to be productive.

With regard to the Indalex dispute, a senior mediator there has also met with the parties—in fact, as early as this week—but he reports that, unfortunately, they remain quite far apart in their positions. The mediator, though, is remaining in contact and he will try to get them together just as soon as possible.

With regard to the concerns about the activities on the picket line, as the honourable member knows, I am not responsible for the activities of the police. I had thought this morning that my colleague the Solicitor General (Mr. G. W. Taylor) would be in attendance and could perhaps respond to that section of the question, but I will be happy to take the matter up with him the first of next week.

Mr. Mackenzie: I appreciate the comments the minister has made, but they do not deal specifically with the problem I am raising, and that is the problems that lead to trouble on the picket lines.

Given the real problems that police involvement on picket lines causes, the uneven standards that seem to apply across the province between various forces, and the recent comments of Mr. Paul Walters of the Metropolitan Toronto Police Association calling for legislation to achieve a fair set of rules that do not make the police appear to be an extension of a company in a strike situation, will the minister as part of his responsibility as Minister of Labour initiate legislation that more clearly defines and controls the role of police or outside firms in a labour dispute?

Hon. Mr. Ramsay: I am not considering legislation of that nature, but I will be happy to meet personally with the Solicitor General and see if we can come to some agreement on the standards for police surveillance and police activities on the picket lines.

Mr. Mancini: Mr. Speaker, knowing from firsthand experience the problems that are caused when police are sent to picket lines, and knowing that no matter how they carry out their duties they are always perceived by one side or the other to be favouring a particular side, would the minister when he is talking with the Solicitor General convene a task force of very well qualified people from unions, management and police departments to see if they can study this matter and give the minister recommendations so that in the near future he may be able to act with regulations or with legislation or, at the very least, to set down some guidelines?

Hon. Mr. Ramsay: Mr. Speaker, I will certainly take that under consideration. I think I should say here, in defence of our police forces, that for every situation we hear described, such as Shaw-Almex Industries, Indalex and Polysar, there are numerous occasions when the police force has acted in the very best possible manner and has brought stability to the picket lines of this province. By and large, Ontario has an excellent record in this respect in so far as picket line activities are concerned. I attribute a great degree of that success to the efforts of the police forces of this province.

Mr. Mancini: On a point of privilege, Mr. Speaker: I was in no way trying to demean the work of the police departments. I was just trying to point out some of the problems they face.

CLOSURE OF HOME FOR DEVELOPMENTALLY HANDICAPPED

Mr. Speaker: The Provincial Secretary for Social Development has two brief answers to previously asked questions.

Hon. Mr. McCaffrey: Mr. Speaker, it is my expectation and understanding that the Minister of Community and Social Services (Mr. Drea) will be in the Legislature on Monday. There are a couple of outstanding issues I would like to dispose of now.

Earlier this week the member for Windsor-Sandwich (Mr. Wrye) and the member for Scarborough West (Mr. R. F. Johnston) asked a couple of questions with regard to Bluewater Centre and the closing date. There were some specific dates. I wonder if I can just touch on a key aspect of it and perhaps send a copy across to both those members.

With respect to the Bluewater Centre at Goderich, I would like to point out that the date of November 18, which has been referred to as the closure date, is merely the notification to employees of termination of employment date required under the collective agreement. There has been no actual closure date set. The facility will cease to operate only when the ministry's commitments are met. Sufficient staff to ensure the safety and welfare of residents will be maintained beyond the November 18 date if necessary.

ELDERLY PERSONS CENTRES

Hon. Mr. McCaffrey: The member for Beaches-Woodbine (Ms. Bryden) and the member for Windsor-Sandwich had questions with regard to the Elderly Persons Centres Act. Inasmuch as it is relatively detailed, I wonder if those members would be content to have a copy of the answer. I am in the members' hands and I would be happy to get into some aspects of it.

Mr. Speaker: The member for Windsor-Sandwich has indicated he would by nodding his head.

THOM COMMISSION

Mr. Boudria: Mr. Speaker, I have a question for the Minister of Consumer and Commercial Relations on the mandate of the Thom commission. The minister is aware that cabinet severely restrained the mandate of the commission by an order in council on August 31 by which phase 2 of the proceedings will be limited to living accommodations to which the Residential Tenancy Commission applies.

What possible rationale could the government have had for this decision? How are the tenants supposed to have faith in this system, which was designed as a system in which, in the minister's own words, there would be "the widest possible input into the process of finding better solutions to the current problems of our housing," when it is quietly being watered down without public input and with what seemingly is no rationale at all? How are people going to be able to participate in the phase 2 process, given the amendment the minister made to the mandate?

11 a.m.

Hon. Mr. Elgie: Mr. Speaker, actually it was the government's view, and I believe the commissioner's view, that the original mandate meant just that. It was felt that if there was any doubt about it, the government owed it to the public to make it very clear.

There are those who have had the opportunity over the years to review the public policy issues that have been faced in this country and in other countries with respect to rent control. I think the thoughtful articles I have had an opportunity to read indicate there needs to be a balance and an opportunity for private interests to construct new dwellings without rent control if we are seriously interested in the construction of new apartment buildings.

That does not restrict members of this Legislature, when legislation eventually comes before the House and before committee, from raising whatever points they wish. The member knows that. To suggest there will not be any discussion on any of those issues is really quite imprudent and inaccurate.

Mr. Boudria: That is a bunch of nonsense and the minister knows it.

Mr. Speaker: Question, please.

Mr. Boudria: The minister's accusations are really unfair. He will know that on November 16 of last year he was the one who said that all aspects of housing would be examined. I did not say that; he did. He changed his mind in midstream on that.

Mr. Speaker: Question, please.

Mr. Boudria: He now wants the report to deal only with tenements that are currently under the Residential Tenancies Commission.

How can anybody have faith in the government when the minister changes his mind in midstream? In the middle of the ball game he is changing the rules. Is this not unfair to the people who have previously gone to the Thom

commission in good faith and were told to go back in phase 2 because what they wanted to say to the Thom commission would apply later? Meanwhile, the minister changed the rules. He should not accuse us of being on both sides of this issue when he is the one who is.

Hon. Mr. Elgie: I disagree and my remarks stand.

OTTAWA HOUSING

Mr. Cassidy: Mr. Speaker, I have a question for the Provincial Secretary for Social Development and acting Minister of Community and Social Services.

Is the minister aware that there are now 500 people who are homeless in Ottawa, that the rents on one-bedroom apartments exceed the monthly income of many of those people and that this fall something in the order of two apartments in every 1,000 are going to be vacant?

Is the government prepared to intervene to meet the needs of these homeless people? If not, how many more homeless people do there need to be in Ottawa before the government is prepared to act?

Hon. Mr. McCaffrey: No, Mr. Speaker, I am not aware of the numbers and I will look into it.

Mr. Cassidy: Since the minister is not aware of it, can he explain why his colleague the Minister of Municipal Affairs and Housing (Mr. Bennett) has deliberately sought also to be ignorant of the fact and has refused to communicate in any way with groups representing the homeless and with the People's Housing Coalition in Ottawa?

Will he undertake on behalf of the government to have some other representative of the government meet with Homes for the Homeless and with the People's Housing Coalition, since the Minister of Municipal Affairs and Housing wants to pretend that no problem exists in Ottawa?

Hon. Mr. McCaffrey: I said I would look into it. Among other things, I will speak to my colleague the Minister of Municipal Affairs and Housing.

EXTENDED CARE

Mr. Wrye: Mr. Speaker, I have a question for the acting Minister of Community and Social Services. The minister is undoubtedly aware of the growing crisis regarding the lack of extended care beds across the province. Homes for the aged receive funding for extended care beds for

up to one and a half hours of care, yet many residents require up to three hours of care and funding remains fixed at \$39 per day regardless of that.

When will this government recognize that many homes for the aged across the province provide extended care to residents far beyond the funding limit of one and a half hours of care without adequate remuneration? Why did the minister's colleague not listen to the 1,000 delegates at the recent Ontario Association of Homes for the Aged convention when they repeatedly demanded a fourth category of care, namely, heavy extended care, to bridge the funding gap between extended and chronic care?

Hon. Mr. McCaffrey: Mr. Speaker, on behalf of the Minister of Community and Social Services, but also as Provincial Secretary for Social Development, may I say that in the social policy field we spend something in the order of 85 per cent of our time on these issues as they relate to home care and the elderly in the short and long terms.

When we talk about priorities of the government, there is simply no question but that this is a priority in terms of more adequate funding and better programs to meet the needs. We all know this is the area for intense emphasis within the next decade. I am aware of it. We make this a priority within the policy field, and indeed it is a priority for the government to deal with this.

Mr. Wrye: This is not a priority for the next decade; it is a priority for the next month.

I have a case for the minister concerning the plight of a charitable home for the aged in my community of Windsor. Villa Maria completed a detailed time study in June of this year that verified a situation of underfunding, which affects many other homes for the aged across the province. Although 35 of the 120 residents were officially receiving extended care, 42 residents received care in excess of one and a half hours. Eighteen of those 42 residents were receiving care in excess of three hours.

Is it not true that many long-term care facilities can now prove that high levels of care are delivered to many residents they serve, without adequate compensation? Is it therefore not also true that the quality of life for residents in long-term care homes is deteriorating and that it is becoming increasingly difficult to care properly for residents under a funding mechanism established 11 years ago?

Hon. Mr. McCaffrey: Mr. Speaker, before I

respond to the latter part of the question, I am sure the honourable member will send over the information pertaining to Villa Maria, and I will respond in detail.

Mr. Rae: Mr. Speaker, the minister will know that the average age of residents in the homes for the aged is now well over 80, whereas when the basic standards were set many years ago, the average age was much lower, in the 60s. Given the dramatic change that is taking place in the makeup of the people who are living in homes for the aged, will the minister act now and not put it off and come up with an answer that deals with both homes for the aged and nursing homes, that sets a realistic standard in terms of the kind of care that is being provided by these institutions and that should be provided by them, and that reflects what is going on and the needs of the residents?

The problems we have seen in the nursing homes relate very directly to this problem. This is a matter of some urgency for us, and we would like to see the minister act on it right away.

Hon. Mr. McCaffrey: Mr. Speaker, I agree with the leader of the third party's initial comments vis-à-vis the statistics and the quite dramatic changes. I repeat, it is a priority, and we attach some urgency to the issue.

Mr. Speaker: The member for Windsor-Riverside; a new question.

Mr. Cooke: Mr. Speaker, before I get into my question, I want to raise a point of privilege. I want to point out to the Minister of Health (Mr. Norton), who has now returned to the Legislature—

Mr. Cunningham: No, no.

Mr. Cooke: To correct the record, then, as you let the leader of the official opposition speak—

Mr. Speaker: No, I did not, with all respect.

Mr. Rae: You certainly did.

Mr. Speaker: You may only correct your own record, nobody else's record.

Mr. Cooke: The Minister of Health deliberately distorted the fact—

Mr. Speaker: That is not for me to judge.

Mr. Cooke: Perhaps then the Minister of Health will be honest and deal with these opting-out cases fairly and honestly in the Legislature.

Mr. Speaker: Now to your question, please.

INDUSTRIAL RESOURCE CENTRE DISPUTE

Mr. Cooke: Mr. Speaker, I have a question

for the Minister of Colleges and Universities. The matter deals with the strike at the Industrial Resource Centre in Windsor.

I would like to ask the minister whether she is aware of this strike and whether she understands that management in this case is taking a position that it will not recognize seniority rights. This is a first-contract negotiation. This institution is funded totally by her ministry, as I understand it, through St. Clair College. Seniority rights are not being respected, and the people who work at the Industrial Resource Centre are paid 20 per cent less than people doing exactly the same job at St. Clair College.

Does the minister agree with this negotiating stance taken by management? If she does not, will she intervene or have her ministry intervene to settle the strike since this particular institution provides free apprenticeship training, which is so important for our young people when youth unemployment is so incredibly high?

Hon. Miss Stephenson: Mr. Speaker, I am aware of the dispute at the Industrial Resource Centre. I am also aware that there are several trainees whose educational programs are being severely disrupted by the strike. I am aware too that although the funds flow from St. Clair College, and it is accountable for the funds, it is a separate and discrete institution.

It is my sincere hope that both parties in this dispute will take into account the plight of the trainees currently without the kind of guidance they should have, and will immediately settle this dispute through negotiations.

11:10 a.m.

Mr. Cooke: The minister will know that the board of the Industrial Resource Centre has not been the most co-operative right from the beginning, and she will understand the problems the college has had in working with that board as well. Does she not think, now that this centre has only been in operation a year or a year and a half, that it is time either for the ministry to become involved with the operation of the centre to make sure the board operates in a way that is beneficial to the community or, if it is not willing to do such, for the ministry to take direct control through the St. Clair College board?

Hon. Miss Stephenson: If the terms of reference of that board are not being followed precisely by the board, then I shall most certainly look at the suggestion made by the honourable member. It is not my understanding

that there is deviation from those terms of reference, which were jointly developed so that the institution could be autonomous and reasonably separate from any other mechanism within the Windsor area.

HAMILTON-WENTWORTH COUNCIL DECISION

Ms. Copps: Mr. Speaker, I have a question for the Minister without Portfolio, the member for Wentworth. Can the minister advise us whether he agrees with the very strong position taken by regional council in Hamilton that the position of regional chairman be elected by the people at large rather than by council, as is currently regulated by statute?

Hon. Mr. Dean: Mr. Speaker, I do not agree with that position.

Mr. Cunningham: Mr. Speaker, the duly elected representatives serving on regional council and the regional chairman, who is not elected, are unanimously of the view that this position should be elected at large. Will the minister take it upon himself to make representations to the Minister of Municipal Affairs and Housing (Mr. Bennett), who has arrogantly dismissed our council's unanimous position in this regard? How can the minister defend that? Will he not take it upon himself to meet with this minister and endeavour to use his influence to represent his constituents, which is what he was sent here to do?

Hon. Mr. Dean: Mr. Speaker, a couple of things should be said before a straight answer is given to that question. First, I disagree that there was any arrogant dismissal on the part of the Minister of Municipal Affairs and Housing. Second, yes, I continue to represent my constituents. Third, I think the whole question has to be viewed in the context of what is feasible, practical and desirable, not only in the region of Hamilton-Wentworth but in other parts of Ontario as well.

CIVIL LIBERTIES

Mr. Foulds: Mr. Speaker, I have a question for the Attorney General. I would like to refer to the Attorney General's statement this morning, in which he says:

"I am confident that the federal Solicitor General will now recognize the basic flaws in his legislation, which do represent a significant potential threat to the fundamental freedoms enjoyed by Canadians. The public interest would be well served by a retreat by the federal

Solicitor General. . . Although couched in polite parliamentary language, the committee report eviscerates the proposed legislation."

If that is true, does the Attorney General not think the recent judgement by the Supreme Court of Ontario with regard to Bill 179 is also true? Does he not think it is about time he stopped fighting and posing as a civil libertarian when it comes to matters at the federal level, but acting like a pussycat when it comes to acting as a civil libertarian in defending workers' rights here in Ontario?

Hon. Mr. McMurtry: Mr. Speaker, I did not hear a question; I heard a little bit of a speech.

Obviously, apart from the very articulate statement I made earlier, from which the honourable member quoted, there is nothing else he said that I agree with.

Mr. Foulds: Does the Attorney General not see the sheer hypocrisy of his position when he will speak out against an attack on civil liberties at the federal level but he has absolutely failed to speak out on the same kind of attack on civil liberties and the freedom of association at the provincial level?

Hon. Mr. McMurtry: My response is that what the member has said is absolute and total nonsense.

Mr. Rae: It is not.

Mr. Foulds: You have a double standard.

Mr. Speaker: Order.

Hon. Mr. McMurtry: I could tell him of hundreds of issues here where I have spoken out in relation to the rights of the individual citizens in this province.

Interjections.

Mr. Speaker: Order.

Hon. Mr. McMurtry: The NDP members always want to cloak themselves in sanctimony and hypocrisy, and they are just talking sheer and utter nonsense.

Mr. Roy: Can I ask him a supplementary?

Mr. Speaker: Final supplementary.

Mr. Roy: Thank you, Mr. Speaker.

Mr. Speaker: No. I am sorry. I did not look at the clock.

Mr. Roy: That is fine.

Mr. Speaker: The time for oral questions has expired.

Mr. Roy: We will forgive you.

Mr. Speaker: It was your colleague who tipped me off.

Mr. Roy: We will forgive you. You should not protect him, Mr. Speaker.

Mr. Speaker: I am not.

PETITIONS

INFLATION RESTRAINT LEGISLATION

Mr. Breithaupt: Mr. Speaker, I wish to table a petition which reads:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

This petition is signed by 80 teachers who live and work in the Waterloo region. These teachers are on the staffs of Northdale Public School in Waterloo, Forest Glen Public School in New Hamburg, Heidelberg Public School, Floradale Public School, and four schools in Kitchener, namely, Howard Robertson Public School, Stanley Park Senior School, Prueter Public School and Sandowne Public School.

Mr. Newman: Mr. Speaker, I also have a petition addressed to the Honourable the Lieutenant Governor and the Legislative Assembly. For the sake of brevity, I will say it was signed by a number of teachers from the Windsor area.

Mr. Barlow: Mr. Speaker, I have a group of petitions from all over Waterloo region that were sent to me this morning by the Federation of Women Teachers' Associations of Ontario. There are a number of schools from Cambridge and other communities represented. Rather than take the time of the Legislature to read them off, I will just present them.

Mr. Foulds: Read them off.

Mr. Barlow: Do you want me to read them off? All right. They are from Central Public School in Cambridge, Country Hills Public School in Kitchener, Forest Glen Public School in New Hamburg, Sandowne Public School in Kitchener, Manchester Public School in Cambridge, Crestview Public School in Kitchener—

incidentally, that one was sent to each member representing the Waterloo region in this House—Smithson Public School in Kitchener, Guiding Light School for the Trainable Retarded in Elmira, Grandview Public School in New Hamburg, Westmount Public School, Carmichael Public School, Suddaby Public School, Sunnyside Senior and MacGregor Senior, all of which I believe are in Kitchener.

Mr. Treleaven: Mr. Speaker, I wish to present a petition with similar wording as the previous ones, from a number of teachers who live and teach in the riding of Oxford.

INTRODUCTION OF BILL

SENSENBRENNER HOSPITAL EMPLOYEES COMPENSATION ACT

Mr. Peterson moved, seconded by Mr. Breithaupt, first reading of Bill 110, An Act respecting the Compensation of Certain Employees at Sensenbrenner Hospital in Kapuskasing.

Motion agreed to.

11:20 a.m.

Mr. Peterson: Mr. Speaker, the purpose of this bill is to override a recent decision of the Inflation Restraint Board requiring certain employees of Sensenbrenner Hospital in Kapuskasing to pay back increases in compensation received under an arbitration award that was made in October 1982.

Under section 1, no employee will be required to pay back any increase in compensation so received and no employee shall have any compensation withheld as a result of the board's decision.

Under section 2, the compensation plan of employees at the hospital will be deemed to be a plan that was in existence on September 21, 1982, and that expires on or after October 1, 1982, for the purposes of the Inflation Restraint Act. The section will have the effect of establishing the entry date of the employees into the restraint program.

I think it is an important bill and would rectify an injustice we have seen under the legislation. Unfortunately, it could have been prevented earlier, had this government respected our amendments to the Inflation Restraint Act.

ORDERS OF THE DAY

House in committee of supply.

ESTIMATES, MANAGEMENT BOARD
OF CABINET
(continued)

On vote 401, ministry administration program:

Hon. Mr. McCague: Mr. Chairman, have I the permission of the House to move down? Thank you.

I have the answers to several questions that were raised, some by the member for Rainy River (Mr. T. P. Reid) and some by the member for Etobicoke (Mr. Philip). Since the member for Rainy River is absent at the moment, I will attempt to answer the questions raised by the member for Etobicoke.

One was in regard to recent problems, as the member said, with compliance and, in view of that, whether Management Board's policies were adequate.

The purpose of the administrative policy is to provide concrete measures through which the government's objectives of economy, efficiency, equity and probity can be achieved. These objectives continue to be held and, in my view, the policies of the Manual of Administration serve the purpose satisfactorily.

To ensure that the policies continue to be useful they are reviewed and, where necessary, revised. At present, the policies on consulting are in the late stages of review and I expect revised versions will be approved by Management Board shortly.

While there will be a number of changes in these policies, the principles of competitive tendering will continue to be upheld. I have directed my staff to review the communications policy with particular emphasis on the possible need to address speechwriting in a more specific manner.

The honourable member also asked to what extent policies on government procurement facilitate purchases from union shops—

Mr. Philip: Mr. Chairman, that surely is not the minister's only answer to the very long list of questions I asked on the Manual of Administration and on the actions of one of the ministers?

Hon. Mr. McCague: I am sorry, Mr. Chairman, I did not hear the interjection by the member.

Mr. Philip: If I may, as a way of clarification, I asked a very long series of questions directed at the Manual of Administration and possible violations by a minister of this government. I quoted sections and I had very specific questions on it. I hope this very broad, general statement by the minister is not his reply to the very specific and direct questions I asked on that. Are we going to get a reply on whether, in

this minister's view, Mr. Walker violated the Manual of Administration?

Mr. Chairman: The member has made his point and the minister can respond as he wills. I would remind the member again, last time in this debate we were referring to names of individuals when I am sure we want to refer to them in their ministerial capacity. Thank you.

Hon. Mr. McCague: Mr. Chairman, I agree that the member asked various questions about various items. One of them was the one to which he just referred. In regard to the questions that have been raised, the staff of the secretariat did a review of those items brought before Management Board for approval on behalf of the member for London South (Mr. Walker) for purposes of procuring speechwriters and consultants. There were two submissions received. One was for management consulting services and one for speechwriting. I will deal with them separately.

The submission for management consulting services was received from the Ministry of Correctional Services in January 1981, and involved the extension of a consulting contract to Mr. Martyn for the completion of a zero-base budgeting project. The original contract was under \$15,000 and therefore it had been awarded without tender. Since any extension would put the contract over the \$15,000 limit, Management Board approval was sought and granted after an extensive review of the alternatives. The amount of money involved in the extension was approximately \$12,000. The exemption was granted contingent on the written requirement that no further extensions would be sought.

The only other submission germane to this discussion involved the procurement of a speechwriter received by Management Board in July 1981 from the Ministry of Consumer and Commercial Relations. A number of letters were exchanged between the Management Board secretariat and the ministry over a period of two months. The ministry was advised that nonconsecutive assignments involving separate speechwriting projects of a short-term nature with individual contracts and terms of reference could be awarded without tender provided they were less than \$15,000 each. Since Management Board's approval of such contracts was not required, Management Board's permission was withdrawn by the ministry.

In my view, in both of the above situations, both the minister and his staff, as well as the staff of Management Board, acted correctly and in accordance with government policy.

The member also asked to what extent policies on government procurement facilitate purchases from union shops, what the government's purchasing objective is and why the government does not apply contract compliance criteria. The member has asked several questions about the government's purchasing policy, specifically, about buying unionized products or those made by corporations paying a union wage, and about the objectives of government purchasing and so forth.

The purpose of government's purchasing policy is to ensure the probity of the government's purchasing transactions. This is to be achieved through the fair, objective, equitable and economical acquisition of goods and services. Under this policy, suppliers are selected in an objective and equitable manner by a process of competitive purchasing and the lowest responsible bid is accepted.

11:30 a.m.

In awarding contracts, Canadian preference and industrial development considerations are also taken into account. All government contractors are expected to comply with all of Ontario's labour legislation. We believe our purchasing policy treats vendors fairly and at the same time ensures that the province gets value for money in its purchasing transactions.

The member for Etobicoke also raised the issue of privacy legislation. I think it would be appropriate if he were to ask this question of the Provincial Secretary for Resources Development (Mr. Sterling), who is the minister responsible for matters of this sort.

Mr. Philip: Does the Chairman of the Management Board of Cabinet have no views on it whatsoever?

Hon. Mr. McCague: I would not wish to comment on it in view of his responsibility in that area.

A further question from the member for Etobicoke asks: "I would be interested in knowing if this minister, as the minister responsible for co-ordinating efficiency and so forth, knows how many contract workers moved with the member for London South when he moved from the Ministry of Industry and Trade to his new ministry. If the contract workers were hired for a specific function within the Ministry of Industry and Trade, then why would they be relevant in going to do work in another ministry?"

The appointment of unclassified staff in the minister's office is at the discretion of the minister. The guidelines which apply are those

to do with salaries to be paid which, in essence, are that the salaries should be in line with related levels in the civil service. Management Board does not keep a list of the staff ministers employ in their offices. For such information in the case he raised, the member would have to inquire to the Provincial Secretary for Justice (Mr. Walker) and to the specific ministers from whom he would like similar information.

Under the Public Service Act, a minister or any public servant who is designated in writing for the purpose by him, may appoint for a period of not more than one year on the first appointment and for any period on any subsequent appointments, a person to a position in the unclassified service in any ministry over which he presides. Any appointment made by a designee under this subsection shall be deemed to have been made by the minister.

The member also raised several questions about the matter of the Board of Internal Economy and Bill 78 as it applies to the Legislature. Just to remind him, the bill was arrived at and agreed on by an all-party committee. The hearing board established under the bill has precisely the same function as the Public Service Grievance Board under the Public Service Act.

There is concern about the fairness of the board because of the Speaker's authority to appoint the chairman and the Speaker's representative on the board, but I think that view is unfounded. Unlike other boards, the duty to act fairly is spelled out in the act and will be subject to judicial review by the courts. Unlike the Public Service Grievance Board or the Crown Employees Grievance Settlement Board, the employee has the authority to appoint his representative to the board. The Speaker's consultation with the chairman of the Public Service Grievance Board is designated to ensure that the chairman of the hearing board will be an experienced, accepted arbitrator who is well versed in the arbitration process and the jurisprudence.

There is no change in the rights of the grievor from the original act. There is nothing to prevent an employee from making a complaint about terms of employment or working conditions. However, such complaints may not be adjudicated by the hearing board. This is not unique in labour relations. Some matters, even when included in the collective agreement, are not arbitrable. An example of this would be the assignment of work where such an assignment is

not disciplinary in nature and the claims under the insured benefits plan in shift scheduling.

The act provides more rights than most nonunionized employees in the private sector, who must seek redress on dismissal to the courts and who have no grievance rights for any other form of discipline.

In the particular example raised by the member, I am informed that the grievor withdrew her grievance. I should also mention that a civil servant in a bargaining unit would be involved in the same process as the example raised by the member, since it involved the right of the Speaker to determine what work is to be performed by an employee. In that case the assignment of other duties did not change the employee's salary, benefits or classification, and the board would be required to determine whether or not it had jurisdiction to entertain the grievance. That process is not at all unique to a hearing board established under Bill 78.

There was only one more question raised by the member for Etobicoke or the member for Rainy River, and both raised the question of merit pay. In the Ontario civil service the merit pay system works as follows. The salary range of each bargaining unit class has a number of incremental steps which are negotiated and incorporated into the collective agreement. Employees are eligible for an increase to the next higher step in the salary range after six or 12 months of satisfactory performance until the maximum rate is reached.

Merit increases may be withheld for unsatisfactory performance. They cannot be withheld for economic reasons, except under constraint legislation. An employee who is denied a merit increase is free to lodge a grievance with the grievance settlement board.

There are no incremental steps in the salary ranges in the management classes. Employees are eligible for an increase of up to five per cent each year, depending upon their performance, until the maximum rate is reached. This amendment permits individual increases to be tailored to reflect the employee's level of performance. Merit increases may be withheld only for unsatisfactory performance, except under constraints. An employee below the executive level who is denied a merit increase is free to lodge a grievance with the Public Service Grievance Board.

On the broader question, there is no universal agreement on the efficacy of merit pay and, in particular, its relationship to the performance appraisal process. This has been well illustrated

by the divergent views expressed on Monday by the member for Rainy River and the member for Etobicoke, who went to the same place and presumably talked to the same people and came back with different views.

On the matter of performance appraisal, the process described in the government's policy is in many respects similar to the one endorsed by the member for Rainy River. It is a three-step process in which a manager and an employee define the performance that is expected of the employee during the next review period. They discuss performance on an ongoing basis during the review period and they evaluate job performance at the end of the review period.

The objectives of performance appraisal are to attain high performance levels by ensuring that employees know and are committed to achieving what is expected of them; to assist employees to develop in their jobs through coaching, counselling and training; to improve communications and work relationships between employees and managers, and to provide a better understanding of organizational objectives.

The key ingredient in achieving these objectives is the creation of a climate of trust. Therefore, we do not insist that summary evaluations at the end of the review period be in writing, although the majority of managers elect to do so.

Performance appraisal review provides critical information in determining merit increases. However, I would like to reiterate that the primary purpose is to improve or maintain high performance through the encouragement and enhancement of employee development. The government process has been designed to support this aim. In instances where increments are being withheld, we would advise managers to include appropriate comments on the record.

Mr. Chairman, those were the questions that were raised by the member for Etobicoke.

11:40 a.m.

Mr. Philip: Mr. Chairman, with respect, I raised a number of questions which were not answered. One of the questions the minister has conveniently avoided, or perhaps he answered it and I missed it, is whether he was prepared to table the contracts dealing with the minister I had asked questions about so that we in the Legislature could see whether or not, in our opinion, there were violations of the Manual of Administration. The minister has not answered that question, and I am wondering why he so conveniently forgot to deal with that question.

Hon. Mr. McCague: The honourable member knows that any documents that may be in the hands of Management Board have the same force and effect and are as confidential as those documents the Cabinet Office has. The answer to the question whether I am going to table some documents that may or may not be in another ministry is no.

Mr. Philip: It will be my position in the public accounts committee that this minister be brought before that committee to answer the questions I asked him and which he has, with respect, failed to answer in his apologetics for his colleague. I suggest, if the minister has nothing to hide, he should come clean with those documents. It would be fairly simple to do.

It would be a matter of going to the minister in question and saying: "I have been asked for these documents. The members of the Legislature want to see the documents. Members of the public accounts committee and the auditor will be wanting to see those documents. Is it your intention to hide them from the Provincial Auditor as well? If it is not, then what is the difference between showing it to the Provincial Auditor and showing it to the public accounts committee?"

Hon. Mr. McCague: The member misunderstands this whole thing. What I was looking at were items which had come to Management Board. As I told him, there were the two requests that came to us. I have reviewed those requests. I am satisfied Management Board acted properly in dealing with them. I have not gone to the ministry and asked for any documents whatever. What we have is confidential. I am not hiding a thing. There is some indication the auditor may be looking at this particular matter. I have nothing further to say.

Mr. Philip: I am sorry, I have other questions on that. The minister is saying that his colleague in question only came to him or to Management Board on two occasions with regard to two contracts. Is he saying he is not aware of any other contracts which would have fallen under the category where, according to the Manual of Administration, the minister in question would have been obliged to come to him? On some of those contracts where the Manual of Administration clearly indicates the minister should have come to Management Board first to seek approval, he did not. Is that not what happened?

Hon. Mr. McCague: It is expected that the Manual of Administration will be followed and that there will be compliance. I am telling the

member we had before us two contracts which come under the categories I understood he was interested in.

Mr. Cunningham: I am sure the Chairman of Management Board would be aware that yesterday a motion sponsored by myself in the public accounts committee on this subject was defeated by members of his caucus. We lost on a six-to-five vote.

Very simply, we had requested the committee request the auditor to investigate not only the two aforementioned contracts, but also the extent to which this may be a widespread practice. The Provincial Secretary for Justice has been quoted in the press. In an attempt in my view to justify what is a shoddy and sleazy kind of conduct, he has indicated this speechwriting, public relations endeavour is widespread throughout the ministry, which causes me some serious concern.

The second part of my motion dealt specifically with recommendations, to the extent to which this did exist, that the Provincial Auditor might make to us. My question to the Chairman of Management Board, who I believe sincerely wants to make sure we get value for money in this province, is whether he would redirect his members to reconsider that situation and have the Provincial Auditor take a look not only at this particular experience that has outraged so many taxpayers in Ontario, but also at the extent to which it may be a widespread practice, particularly among leadership aspirants, and at the extent to which we could fix an amount of money on the end of contracts and determine that we would get value for money spent.

Would he consider directing his colleagues to that effect, so that the auditor would have a very clear direction? At the moment, it is a discretionary situation. I believe the auditor should be seized with this responsibility and it should not be left up to his discretion. I believe he should get that direction from the committee. I would be very grateful if the Chairman of Management Board would take it upon himself and commit himself today in this House to have members of his caucus ensure that if this matter is brought up again in the standing committee on public accounts, they will not block this issue and endeavour to sweep it under the rug, as I believe they are attempting to do right now.

Hon. Mr. McCague: Mr. Chairman, I think the honourable member understands, I hope as well as I do, that I have no jurisdiction or power to direct the members of the public accounts committee of whatever political party to vote or

discuss a matter in any particular way. No, I will not direct them to do that.

Mr. Cunningham: Supplementary, if you will permit me very briefly, Mr. Chairman: Would the minister then take it upon himself as Chairman of Management Board to write to the auditor almost immediately and indicate his concern about this and the laxity that appears to be going on in controlling the accounts of the public in Ontario? Would he request the auditor to take an independent look at this?

It simply is not good enough for the minister to stand in his place today and say that everything is all right, or for members of his party to prevent an investigation in the public accounts committee and to assure us we are getting value for money, particularly in the case of the relationship of the individual who wrote the book for the member for London South (Mr. Walker) and the extent to which he could separate that activity from his so-called public relations, speechwriting function.

I think the public has a very genuine problem. I am asking the minister to take it upon himself, as one who has demonstrated over the years some very real concern about efficiency in government, value for money, and making sure the taxpayers' interests are respected, to write to the auditor and either table his letter here in the House or favour us with a copy of his letter. Would he take it upon himself to have the auditor take a look at this in an independent, objective fashion and, more important, determine the extent to which this kind of practice is going on across all ministries and whether we are getting value for money spent?

This is a lot of money. I said yesterday in committee that it has developed into a cottage industry in Ontario around this place. I think it is an abhorrent situation when these people can get very juicy contracts without tenders. The former Treasurer himself said the contracts were of a very questionable nature. Will the minister take it upon himself to contact the auditor?

Hon. Mr. McCague: Mr. Chairman, I have never written to the auditor and asked him to perform any particular function. We have the Manual of Administration with which, as I said earlier, we expect compliance. The auditor has a very specific function given to him by this Legislature. I am sure if the reports in the paper this morning are accurate, the auditor is probably doing exactly what the member wishes.

Mr. Philip: With respect, other ministers

have, when they felt there was impropriety in their ministry, invited the auditor to come in and examine the particular problem. In the case of the member for Scarborough Centre (Mr. Drea), who is a former Minister of Consumer and Commercial Relations, I recall very specifically he called the auditor on one occasion and said: "There is something wrong in this part of my ministry. Please come in and examine it because we want to clean the house."

11:50 a.m.

Very clearly, the Chairman of Management Board has a responsibility not merely to say, as he did, "We examined it and found the minister did comply in a couple of contracts we have here." Surely the question I directed to him and which my colleague from the Liberal Party was directing the other day, both here and in the public accounts committee, is about the very specific rules whereby a minister must go to the Management Board for permission for certain types of contracts.

The minister's statement that he did come for a couple of contracts and that he complied, avoids the issue. The issue is, were the contracts this particular minister let out of such a nature, either because of their cost or other stipulations under the Manual of Administration, that he should have gone to Management Board but did not go? That is the question we are asking, and he is not answering that.

I find it a complete abdication of his responsibility as the Chairman of Management Board that he did not go to the minister and say: "Here are the specifics of the Manual of Administration in the awarding of contracts. Do you have any contracts? Did you award any contracts in which you did not comply with this manual? As the minister responsible for the manual, I want to know." Why did he not do that?

Hon. Mr. McCague: Mr. Speaker, the member for Etobicoke is confusing the role of Management Board and that of the Provincial Auditor. I said earlier that we have a Manual of Administration. We expect compliance. If there is some variation from that, it is the function of the Provincial Auditor.

Mr. Philip: It is the function of the Chairman of Management Board to see that efficient management of the taxpayers' dollars is followed. As the minister responsible for it, he has in the Manual of Administration a very clear objective. It is "to ensure that management consulting services are used only when appropriate and desirable." He has not found out. As

the Chairman of Management Board, in his attempt to sweep this under the carpet, in his defence of a minister who clearly seems to have violated this manual, he has failed to go after that minister and say, "Are there violations? Let us deal with them." Why is he not prepared to go and ask that?

We know we have a Provincial Auditor, but it is the minister's responsibility as well. Is he or is he not prepared to go to the minister in question and ask to see those contracts, all of his contracts, and find out whether or not there was a violation of the Manual of Administration?

Hon. Mr. McCague: I think I have already answered that question. No, I am not. We expect compliance with the Manual of Administration. If there are any inconsistencies, as the member knows and I know, they are the subject of probably half of the auditor's yearly report, where in certain instances the manual may not have been followed, and other financial matters.

Mr. Philip: He is responsible for the manual but not for the policing of it. Is that the minister's position?

Mr. Cunningham: Mr. Chairman, I have a supplementary about the Manual of Administration which is of interest to me. I wonder if the minister would indicate what he does when the Manual of Administration is contravened?

When the Highway Traffic Act is contravened and it is determined in court that one has violated something, one loses points and pays a fine. Last year in the public accounts committee we dealt with a matter where Mr. Laschinger was ultimately responsible for authorizing about \$400,000 worth of work at Future Pod at Ontario Place without benefit of tender. This was at variance with the Manual of Administration and he had the unmitigated temerity, as he was leaving to run the leadership campaign for one John Crosbie, to indicate to us quite boldly that he would do it again.

This is becoming an increasingly serious problem for those of us who would like to put some credence in the Manual of Administration. What does the minister do with someone who is inclined to dismiss casually the Manual of Administration, whether in the hiring of speechwriters or the ordering of something without tenders? What do we do when the Manual of Administration is breached? What kind of sanctions can be brought? If this happened in the private sector, somebody would be looking for work.

Hon. Mr. McCague: The honourable member should understand that we do author the Manual of Administration. The concept is that the minister, his deputy and the ministry, as a matter of fact, are held accountable, and if there are variations from the manual, those are usually turned up in the yearly report of the Provincial Auditor.

I think the honourable members are reasonable enough to understand that we could not audit compliance in all ministries of the government if they chose not to follow the manual. But as far as I know, in all those cases except those turned up by the auditor in his yearly review, there is compliance with the manual, and we are not both doing the same job.

Mr. Philip: With respect, the minister knows the auditor does not audit everything in government every year. Indeed, the new policy, which is a very good one, I must say, is that now in a very systematic way they are doing whole ministries at various times on a scheduled basis, which means that we may be lucky if one ministry is done once every 15 years in a systematic way. The auditor does investigate when he gets tips that there are problems in a particular area, and the minister has a responsibility also to investigate when he has information that indicates there are problems in a given area.

What we in the New Democratic Party and the Liberal Party have been saying is that we have a minister who has not only given some indication that he has violated the Manual of Administration, but even boasts that all kinds of his buddies are doing it. He says all the other guys are doing it.

Does the Chairman of Management Board not feel he has a responsibility when one minister is saying: "There is nothing wrong with this kind of thing. Boys will be boys. My colleagues do it"? Does he not feel it is his responsibility to contact each of the ministries and say: "Here are the terms of the Manual of Administration. Show me the contracts. I want to find out whether the Manual of Administration, which I am responsible for, is being followed; and if it is not, then we will do something about it"?

It is a complete abdication of the minister's responsibility. He should not receive a salary for being the minister.

Let me ask another question, which the minister did not answer in response to my first question, on the tendering process. I asked a very specific question as to whether the minister

was prepared at this point to put into the contracts, as has been done in the United States, a fairness clause so that those companies that discriminate against women and those companies that pay nonunion or below-union wages will not receive contracts from the provincial government. The minister has completely avoided that by simply reading again what the manual says about contracts.

Is the minister prepared at this time to say to the public, "Any company that discriminates against women in this year, 1983, will not get any business from the government, and any company that pays below-union wages will not get any business from the government"? Or is he less enlightened than even the Reagan regime in the United States? At least the US government has gone far enough to try to see that women are not penalized and that companies that discriminate against women will not receive awards and contracts.

12 noon

Hon. Mr. McCague: The board has not considered that. It might well be something the cabinet as a whole might want to look at. I hope the people we are dealing with are not discriminating against women and are not paying discriminating salaries, but we do not have that in our policy at this time.

Mr. Philip: I have another matter I want to raise with the minister, because I am afraid that he inadvertently misrepresented the position of the member for Rainy River (Mr. T. P. Reid). Since he is not here, I would like to simply correct the minister's understanding of what that member's position may have been as a result of the meeting both he and I had with the audit people in the United States and discussing the merit pay issue.

The position of the member for Rainy River has always been that if one is going to have merit pay, one should not have it in the sloppy way in which this government does it. His position is at least identical with mine when we are dealing with the observations of what we learned in the United States.

The report that was given to us and to other members of the committee clearly showed that merit pay is a very divisive form of attempted motivation. Merit pay creates secretiveness, manipulation by employees of management and cuts down on creativity because weak management then will not be challenged by creative people, who know they get less pay when they rock the boat or when they threaten the security

of an insecure manager—there are any variety of reasons. The research was overwhelming.

There is one member here who was with us when we received that report, and he will confirm that was the report we got in Washington, that merit pay simply does not work and is a concept that should be scrapped and that one should use other forms of motivation for employees. That does mean we are advocating that one pays people less or cuts down on the salary they normally would receive under the merit pay approach, but one does not call it merit pay. One gives it to anybody who is in that category and then uses other forms of motivation. I would like at least to correct that misconception which the minister has.

I also asked some very specific questions about advertising, and I wonder whether the minister has any reply on those.

Mr. Chairman: Before the minister does respond, in the early part of your last comment, and I want just clarification from the member, you were not suggesting the minister misrepresented, were you?

Mr. Philip: I was suggesting that he misrepresented our positions, or misunderstood perhaps.

Mr. Chairman: Misunderstood might be better.

Mr. Philip: I was not calling him a liar if that is what you are asking me.

Mr. Chairman: Thank you for the verification.

Mr. Philip: He may be incompetent, but he is not an incompetent liar.

Hon. Mr. McCague: Mr. Chairman, I am not sure which questions the member is referring to regarding advertising, and I will come back to that in a minute.

If I have interpreted that he and the member for Rainy River have divergent opinions and that is not the case, I offer my apologies.

As I said earlier in my estimates, the word "merit" gives us, as well as the member, some problems. If there is a better way of doing it, we should be thinking about that. It may be an unfortunate word. I do not think the member is suggesting, for instance, that we should not have some kind of grid, a step-by-step progression for people with satisfactory work. Maybe he would suggest that we should not do that; I do not really know. It is a subject on which I think we could have great discussion, which probably would be of some benefit to me. I am willing to discuss that matter at any time, because everybody talks about merit and then somebody says, "But you do not merit it." Where does one end up in that scenario? It is a very difficult issue.

As far as the advertising is concerned, I can answer the questions for the member as they apply to advertising within the Civil Service Commission and Management Board. As far as the advertising budgets of all the ministries are concerned, those budgets are looked at during the estimates process in late fall or early spring. Other than that, the questions should be asked of each ministry.

Mr. Philip: Does it not strike the minister as being funny that there is no one minister here who can come up with the answer as to the exact amount that is being spent on advertising? There is no co-ordination of the advertising of the different ministries. There is no system in place to see that there are clearly stated objectives for each of the advertising programs and that those objectives are being evaluated.

As the Chairman of Management Board, does the minister not think he has at least some responsibility to see that the advertising programs of the ministries are stated with clear objectives, that he knows how much money is being spent by this government across the board on advertising and that he knows whether there is an evaluation program in each of the ministries?

He manages to do this kind of thing in terms of computer services and various other things that are done by different ministries and somehow, in the fullness of time, he tries to co-ordinate this big machine called the government. Why does he not do it with advertising? How is it so different from some of the other programs? Is he just afraid of what he will find or, more particularly, what we will find if he ever pulls all that stuff together?

Hon. Mr. McCague: I think the member knows there have been various questions asked about advertising from time to time and, more particularly, on the order paper. I believe those questions have been answered by each ministry, or there has been on occasion a co-ordinated answer that was asked for.

When the member mentions computers and advertising, I think trying to link those two together is like mixing apples and oranges. On the computer side, we are anxious that ministries do not duplicate equipment if one piece of equipment would do for both. In the case of advertising, I think it is only good management to leave the advertising program up to each individual ministry and let them make those decisions.

Mr. Cunningham: Mr. Chairman, I want to indicate for the record that as far as I am

concerned that answer is simply not good enough. The minister probably knows better than I, but I believe that just in the past three years the already top-heavy advertising budget, which was somewhere in the area of \$22 million, has now reached something in excess of \$42 million for the second consecutive year. For the most part, most of this is done without benefit of tender.

I have several questions I would like to ask on the subject. The first one is whether the minister would consider opening up this kind of business to tendering. I realize there is a fair bit of creative expertise that is inherent in the advertising agency business, but I know for a fact that it is a hungry business. There are hundreds of free enterprise agencies that are paying taxes and struggling to make ends meet which would desperately like to participate in what I would characterize to be the gravy train that is operating around here.

I reflect back on the situation of the Provincial Secretary for Justice. I made a comment in committee yesterday where I said that if they had taken out an ad for \$125 in Marketing magazine and asked for submissions on how we could open the six technical centres across Ontario, there would have been a lineup 50 or 100 long in front of the office to get the tender documents or the submission requirements to participate.

It is just not good enough to perpetuate or to allow to be perpetuated this system where their friends are favoured. We know who their friends are. We know the relationship between Foster Advertising agency, the perpetual agency of record, Camp Associates and that political party and the roles they play in the perpetuation of that government. The record should show that I think that is a direct conflict of interest. I do not know when the principals in those agencies take off their Progressive Conservative hats and put on their quasi-civil service hats.

12:10 p.m.

The other thing I would like the minister to contemplate doing is to table the extent to which advertising budgets are spent at the year-end, or in the last two or three months of the year. I would suggest to him that if he were to table three or four years of expenditure experience, ministry by ministry, we would see that there is a practice, particularly in the pre-election periods, where the balance of the advertising account is spent sometimes in the most reckless fashion one could imagine, holus-bolus, to make sure the agencies get their just

reward, the commissions that are inherent in the placement of those ads.

Finally, I would seek a commitment from the minister—in a democratic society, I think this is only fair—that there will be a direction from Management Board and to every ministry to ban discretionary advertising, unless it is absolutely and totally necessary in the public interest, in advance of a provincial election and during the course of a provincial election. We have seen far too many occasions where the taxpayers are subsidizing self-congratulatory and quasi-political messages, at public expense. They do nothing for the public interest. They merely endeavour to enhance the image of the Tory government. For my part, I find that to be absolutely, totally and morally wrong.

When one looks at the amount of money that is being spent in this province on advocacy advertising, it is far in excess of what the taxpayers require. The minister will be interested to know that it has been calculated that on a per capita basis we are spending more on government advertising here in Ontario than is spent nationally. We are spending more per capita in Ontario than McDonalds, General Motors and General Foods. I think it is wrong.

I ask the minister to address himself to those three questions I have asked. Will he consider tendering so everybody can participate, and not just Camp, Foster and his friends? Will he table the extent to which the advertising budgets are top-heavy at the end of the year so the budgets are spent? Will he contemplate a direction banning unnecessary self-congratulatory advertising, at least during the course of an election, if not in the months preceding it?

Hon. Mr. McCague: Mr. Chairman, the advertising is tendered. I think the honourable member knows that. There is one tender for the agency of record every three years, and the ministries are required to tender every three years for their advertising budgets. We see them all—I hope we see them all—at Management Board.

A very thorough process is gone through with a panel of about five people, as I recall, who look at them and rate the tenders in various categories. Those categories are known to the advertising agencies prior to their putting in tenders. So I do not think there is anything the member is suggesting that we are not currently doing.

As far as the year-end spending of advertising budgets is concerned, I do not believe that happens. We might want to check through our

financial information system to see whether that is happening, but I do not believe it is. Of course, it depends on the particular advertising function. If it is the "Yours to Discover!" brochure, the winter one that goes into the paper, then that one is going to come closer to the end of the year than some of the Foodland Ontario ones, which are over the whole year. I do not believe that is prevalent.

As far as banning ads during elections is concerned, that is something my cabinet colleagues and I would have to consider. The members opposite are always raising the issue of government putting in ads they believe are self-serving. Yet in my years here I have heard criticism from many of the members over there about not telling the people what this program or that program is about, and what kinds of things are available to them. I think we have a good, sound advertising tendering guideline and I believe it is being followed.

Mr. Cunningham: I would like to ask how the advertising industry is notified about tenders and about the opportunity to participate. Does the government advertise in Marketing magazine, in the Toronto Star or in the Report on Business? Who is this panel of people who make the decision, and under what criteria are these agencies chosen, apart from their ability to buy tickets to the Premier's annual dinner or their readiness and willingness to work on the next Progressive Conservative election campaign?

From my brief recollection of eight years in this place and from what I can remember before that, it would appear that Camp Associates Advertising Ltd. and Foster Advertising Ltd. have had the preponderance of government business, and it has been uninterrupted. The decision to permit Camp to continue to run our tourism account is as traditional as the Grey Cup and occurs with regularity; it has been uninterrupted. It is inconceivable to me that the minister would disrupt that political cronyism, which is such a tremendous advantage to him from a political point of view.

With regard to tabling the year-end spending, I think it is something the minister should commit himself to do in this House; and he should take a look at three or four years of experience, particularly the extent to which advertising budgets increase in advance of a provincial election. We saw a situation where the government advertising account, I think in 1978, was somewhere in the area of \$13 million or \$14 million. By the time we had reached the crescendo the Premier wanted to build up

before the 1981 election, we were up somewhere in the area of \$26 million.

As one who is serious about looking at government waste, I had actually thought that after the 1981 election the extent to which we spend money on advertising would have dissipated. But for the past two years it has been running at \$42 million, which is absolutely incredible.

I would like to put this on the record very clearly. I think there are some wonderful programs that we advertise. I support the promotion of Ontario food. I certainly think the tourism promotion is a good idea. But maybe it is time for some fresh, creative approaches, which may be my gentle way of saying that we might move it out of Camp Associates and move away from our good friend Normie Atkins and contemplate maybe even another Tory agency; I do not know. There are more Tory agencies kicking around than there are deer in Algonquin Park, but that is another matter.

Hon. Miss Stephenson: We don't use Vickers and Benson, that's for sure.

Mr. Cunningham: I have nothing to do with Vickers and Benson. My good friend the minister, for whom I have great affection, indicates to me that maybe I should be familiar with Vickers and Benson. I do not have anything to do with Vickers and Benson, or MacLaren's even. But I know that there are dozens and dozens of agencies all over the place who would like to participate in government work.

Mr. McClellan: You mean Liberal agencies?

Mr. Cunningham: No. I do not care what their politics are, quite frankly, but I think it should be opened up. It is a matter of record; Foster's and Camp around here have the combination to the consolidated revenue fund. There really will be no tag day for those boys. They have done very well.

Just for interest's sake, I used to look at the list of commercial clients that Camp Associates has. I wanted to know to what extent they were as successful in the private sector as they are with the people opposite. In the National List of Advertisers, which is the traditional listing of the accounts, they, by right, indicate that the list of accounts is not supplied. At least Foster's will tell you that they have these five or six accounts they get from the government, as Russell T. Kelley in Hamilton do.

I do not fault the government for supporting Russell T. Kelley, which was owned at one time primarily by a former Conservative member, a

minister of the crown here. Now there is a situation where my good friend the president of the company is the chairman of the local fund-raising drive in Hamilton. I do not fault the government for that, I guess, but I would like to see it opened up.

I would like the minister to answer these questions specifically for me. How does he notify the advertising industry of this tendering process, what are the criteria and how may the hundreds of agencies that for one reason or another just do not get involved in the political process, and should not have to so as to get business, be notified that they can participate in this great largess that seems to be growing year by year?

12:20 p.m.

Hon. Mr. McCague: Mr. Chairman, to quote from the Manual of Administration: "Any suppliers signifying in writing that they wish to be considered for a specific creative communications assignment shall be invited by the ministry to submit an agency questionnaire. Based on the questionnaire, the ministry invites at least three, and normally no more than five, suitable suppliers to a capability presentation."

Mr. Cunningham: I am beginning to see how this all works. Quite conceivably, if I had an ad agency, I would write to the ministry, it would send the thing back and then if I was lucky I would get an invitation. I can just see how it works now: "Let's see. Let's invite Russell T. Kelley, Foster and Camp to bid on the Tourism account." There is a good chance that one of them will get it. "Let's invite, for Industry and Trade, the same three, by virtue of their good credentials," and on it goes.

That is simply not good enough. I think the minister should indicate in the professional trade magazines and in the Report on Business and in the business sections of every major paper in Canada, or at least in Ontario: "These are our accounts. These are our anticipated budgets. We would like your creative approach to how you would deal with these communications problems."

Maybe they should be tendered out project by project, I do not know, but I can say there are dozens, if not hundreds, of free enterprise people who are paying taxes and employing people, whether creative directors or people in the steno pool, who would like to get in on this and they should be entitled to get in on it. We should not have some kind of sham where, if you know enough, you write to somebody at the

government and then you get invited back. That is about as meaningful to me as an invitation to the Albany Club. This process should be opened up.

Hon. Mr. Ashe: Don't worry. You won't get an invitation.

Mr. Cunningham: If you are a member there, George, I will tell you right now, I don't want to go. How is that?

Hon. Mr. McCague: There is a slight inconsistency in what the member is saying. On the one hand, he has just finished criticising the government for spending money on advertising and he is not satisfied with the fact that we would invite five people to tender on this, but he says we should advertise it hither and yon. I think that is inconsistent. However, this is the policy the government has. Everybody gets an opportunity to put in a questionnaire. Three to five are invited to make submissions and the people who have been mentioned, Foster, Camp, Kelley and so forth—

Mr. McClellan: Name a fourth. Is there a fourth?

Hon. Mr. McCague: Certainly. Various companies have contracts with the government. I think it is fair to say that a lot of these contracts are, as the member said, big contracts and it does take a good-sized firm to be able to handle them.

Mr. Cunningham: May I have one more brief supplementary?

Mr. Philip: I have a supplementary.

Mr. Cunningham: I am sure the member will defer for 30 seconds.

Mr. Chairman, there is an inconsistency that the minister has just described. When we invite tenders on the Burlington Skyway we do not limit it to five construction companies. If we did, we would find ourselves in the Supreme Court of Ontario or in the Federal Court for restrictive trade. What we do, quite wisely, and I support this process very enthusiastically, is we put notifications in the trade publications, in construction manuals and in the general daily press and we invite tenders.

Then all the hungry construction companies, and there are lots of them in this province, if they decide they want to bid on the twinning of the Burlington Skyway, sharpen their little pencils and get down and get their tender documents and make their submissions. Not by invitation only, not the favourite five; it might be 13.

In the case of the Burlington Skyway, where we are spending \$37 million, reasonably wisely I might add, we see a situation where the division between the top three or four bids is so narrow it is incredible. They really had their pencils sharpened. Who is the winner in that? Of course, the Ontario taxpayers. So let us not perpetuate this tomfoolery and this favoured situation for the campaign committee. Open it up and let everybody participate.

Mr. Philip: Mr. Chairman, I must compliment the minister on a certain amount of creativity in at least one area. That is, the creativity with which the Manual of Administration can be structured on this one item so as to limit competition and to ensure that only Tory-dominated advertising firms get the contracts. That is very creative. The minister seems to be quite creative in doing that kind of thing but very uncreative when it comes to investigating how the taxpayers' money is being squandered.

The minister says that ministry programs are not well enough understood. I would like to know what ministry program was being advertised through the "Preserve it, conserve it" ads in the middle of an election. Someone in private enterprise would lose his job if he advertised a product when it was not available. What do we do? Very conveniently, in March, when everybody is going to the polls, we put up big billboards telling people to buy Ontario food products, that things grow better in Ontario. The snow was on the ground. Nothing was growing in Ontario except in a few greenhouses, and that is when the ministry put the ads in.

What kind of insane advertising is that? It is political propaganda. It has nothing to do with the farmers of Ontario any more than "Preserve it, conserve it" had anything to do with the environment. It was the "Preserve it, conserve it" of the Conservative Party.

Let me ask a very specific question, getting back to what is becoming known as the Walker affair. Can the minister tell us whether or not he has examined the contracts that totalled \$153,000 and were related to the six technical centres in Ontario? Has he seen those contracts? Were any of those contracts that he said fell within the Manual of Administration related to the opening of those six technical centres? And did the ones that he saw total the amount of \$153,000?

Hon. Mr. McCague: I have not seen the contracts.

Mr. Philip: The minister said that he examined two contracts. Were those the contracts?

Hon. Mr. McCague: No.

Mr. Philip: Does it not strike the minister that, when we were asking very specifically about contracts related to the six technical centres, those contracts that add up to \$153,000, he should have at least looked at those contracts or asked the minister to show him those contracts?

Hon. Mr. McCague: As far as I know, I was never asked that specific question, but if I had been asked that specific question the answer would have been the same. If the honourable member was listening when I told him what we did look at, he would know that one contract was in connection with the Ministry of Correctional Services, in 1981, and the other one was later in 1981 relating to the Ministry of Consumer and Commercial Relations.

Mr. Philip: The minister was asked that question by me on Monday. If he wants to check the Hansard, I referred to it on page 1650-2, October 31, 1983. That was part of my questioning of him. I would have thought the minister had had a few days since I referred to those specific contracts, the contracts which were mentioned in a motion by the member for Algoma (Mr. Wildman) in the public accounts committee, and that he would have asked to see those contracts. What the minister is now saying is that he did not examine or ask to see any of the contracts related to the six technical centres? Is that what he is saying?

That is correct. He is nodding his head.

The other area which I did not hear the minister reply to was my question concerning—I am sorry; if he is getting information I am quite prepared to stop, because this is an important issue and I certainly would like to hear anything he has to say about it. So far he has not said anything.

12:30 p.m.

The other area I raised and which the minister has not replied to was the information I gave to him about the federal government's travel agency that co-ordinates the travel and the fact it requires only six people to staff and it serves the whole country. I asked whether the ministry would be prepared to look at that as a method of cost saving. I do not recall the minister answering that question. I may be wrong.

Hon. Mr. McCague: The member is correct. I did not address that. I am not personally aware of that matter ever having been discussed by cabinet. I am sure it was not by way of Manage-

ment Board. Each ministry has somebody looking after that part of the ministry's daily workings. We have not felt it necessary to do that. I do recall something back seven or eight years ago when that was suggested, perhaps here in the Legislature or in one of the committees the member and I were involved with. I do not think it has ever been discussed since then. It is something we could take a look at. It may have some merit.

Mr. Philip: When the minister says it is something we could take a look at, is that a statement that he will be looking at it or simply that it is a good phrase to have me go away with until I have to ask it next year and he will say, "We have been kind of discussing it or chatting about it over coffee"? Is he going to look at it or not?

Hon. Mr. McCague: Sure, we will have a look at it.

Mr. Philip: When will we get a report back on the results? No doubt if he is looking at it, he will have a file of some sort. He will have the results of his research. When will he share that with us?

Hon. Mr. McCague: We will be glad to report to the member when we finish looking at it.

Mr. Philip: That is about the only thing the minister and Darcy McKeough have in common. He had a much better expression, "in the

fullness of time." That is about the way in which this government operates.

The member for Grey-Bruce (Mr. Sargent) yesterday had what I thought was a fairly good remark. He said: "There was a fellow who was being strapped into the electric chair. As he was being strapped in, the priest said to him, 'Is there anything more I can do for you?' He said, 'Yes, hold my hand.'"

The whole thing about the Provincial Secretary for Justice, according to the member for Grey-Bruce, was that the Justice secretary was in fact doing that to the rest of the cabinet.

I simply say to the minister that his inaction on that affair means his hand is also being held in the Walker electric chair at the present time. What he might do is get a little bit of distance, start doing something about looking into that whole thing and answer the questions we have asked on it.

The Deputy Chairman: I thank the honourable member. Are we ready for the vote?

Vote 401 agreed to.

Votes 402 to 405, inclusive, agreed to.

Mr. Chairman: This completes consideration of the estimates of Management Board of Cabinet.

On motion by Hon. Mr. McCague, the committee of supply reported certain resolutions.

The House adjourned at 12:36 p.m.

APPENDIX
ALPHABETICAL LIST OF MEMBERS*
 (124 members)

Third Session of the 32nd Parliament

Lieutenant Governor: Hon. J. B. Aird, OC, QC

Speaker: Hon. John M. Turner

Clerk of the House: Roderick Lewis, QC

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- Allen, R. (Hamilton West NDP)
- Andrewes, Hon. P. W.**, Minister of Energy (Lincoln PC)
- Ashe, Hon. G. L.**, Minister of Government Services (Durham West PC)
- Baetz, Hon. R. C.**, Minister of Tourism and Recreation (Ottawa West PC)
- Barlow, W. W. (Cambridge PC)
- Bennett, Hon. C. F.**, Minister of Municipal Affairs and Housing (Ottawa South PC)
- Bernier, Hon. L.**, Minister of Northern Affairs (Kenora PC)
- Birch, M., (Scarborough East PC)
- Boudria, D. (Prescott-Russell L)
- Bradley, J. J. (St. Catharines L)
- Brandt, Hon. A. S.**, Minister of the Environment (Sarnia PC)
- Breaugh, M. J. (Oshawa NDP)
- Breithaupt, J. R. (Kitchener L)
- Bryden, M. H. (Beaches-Woodbine NDP)
- Cassidy, M. (Ottawa Centre NDP)
- Charlton, B. A. (Hamilton Mountain NDP)
- Conway, S. G. (Renfrew North L)
- Cooke, D. S. (Windsor-Riverside NDP)
- Copps, S. M. (Hamilton Centre L)
- Cousens, D., Deputy Chairman of Committees of the Whole House (York Centre PC)
- Cunningham, E. G. (Wentworth North L)
- Cureatz, S. L., (Durham East PC)
- Davis, Hon. W. G.**, Premier (Brampton PC)
- Dean, Hon. G. H.**, Minister without Portfolio (Wentworth PC)
- Di Santo, O. (Downsview NDP)
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*The lists in this appendix, brought up to date as necessary, are published in Hansard on the first Friday of each month and in the first and last issues of each session.

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 Ashe, Hon. G. L., Minister of Government Services (Durham West PC)
 Barlow, W. W. (Cambridge PC)
 Boudria, D. (Prescott-Russell L)
 Breithaupt, J. R. (Kitchener L)
 Cassidy, M. (Ottawa Centre NDP)
 Cooke, D. S. (Windsor-Riverside NDP)
 Cops, S. M. (Hamilton Centre L)
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 Davis, Hon. W. G., Premier (Brampton PC)
 Dean, Hon. G. H., Minister without Portfolio (Wentworth PC)
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Hansard

Official Report of Debates

Legislative Assembly of Ontario

Third Session, 32nd Parliament
Monday, November 7, 1983

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

Monday, November 7, 1983

The House met at 2 p.m.

Prayers.

REMARKS BY MEMBER

Mr. Speaker: I would like to refer all honourable members to the allegation made by the Leader of the Opposition (Mr. Peterson) on Friday last. I am sure he is aware that it is out of order to accuse another member of deliberately misleading the House or of not telling the truth, and such an accusation cannot be made as a matter of privilege. I refer all members to standing order 19(d)(10).

Moreover, it is a basic rule of parliamentary practice that members must accept the word of other members. To quote Lewis's Parliamentary Procedure in Ontario at page 24, "The conduct of members in the House is based on an etiquette of mutual consideration." The Speaker must not be placed in the position of judging who or who is not telling the truth.

It follows that the allegation of the Leader of the Opposition was, as I stated at the time, not a matter of privilege and was, of course, out of order and unparliamentary, and I would ask the honourable member to withdraw his statement.

Mr. Peterson: Mr. Speaker, in the interest of parliamentary niceties, while I am not anxious to develop a procedural debate here, I want to take you back to that conversation on Friday, if I may, for your own attention, because it was your handling of that situation that precipitated the crisis that developed in this House.

Mr. Speaker: Order.

Mr. Peterson: If I may, just on a point of privilege, address that matter—

Mr. Speaker: No. There is no way that—

Mr. Peterson: Sir, I stood in this House on a point of privilege, a point of clarification or whatever you want to call it, to correct deliberate suggestions—perhaps they were not deliberate but they were factually incorrect—by the Treasurer (Mr. Grossman). Now I ask you, what is my remedy when the minister stands in his place and says things that are not correct?

Mr. Speaker: Order.

Mr. Peterson: I am not interested in having an

ethical debate here, but I am interested in getting at the truth.

Mr. Speaker: Thank you. I would refer you once again to what I said earlier. The Speaker must not and indeed cannot be placed in a position of judging who is or who is not telling the truth. That is a matter for members of the House to decide, and that may or may not be your only remedy. I am not sure.

[Later]

Mr. Speaker: In the excitement and emotion of the moment, and to refresh my memory, I would ask the Leader of the Opposition if he in fact did withdraw the statement he made on Friday.

Interjection.

Mr. Speaker: Will you, then?

Mr. Peterson: I think I did, Mr. Speaker, but if you would like it in writing, I would be happy to send it over to you.

MINISTER'S RETURN TO HOUSE

Hon. Mr. Welch: Mr. Speaker, I just wanted to draw to the attention of the House, and I am sure we all share the delight in seeing him, the return of the Minister of Community and Social Services (Mr. Drea). We would want him to know that he has been missed. The House has not been the same without him. Indeed, we wish now that he is following and, we hope, will continue to follow the instructions of his doctor, that he will enjoy good health for many more years. Welcome back.

Mr. Peterson: Mr. Speaker, I would like to join personally with the words of the Deputy Premier and welcome our esteemed colleague back to the House. For all of his sins we very much miss him in a personal way, and for those who feel this place has been a little dull over the past two or three weeks or month or so, I am sure that situation will be rectified immediately today. Welcome back.

Mr. Rae: Mr. Speaker, in the light of this rare display of unanimity I thought I would at least express very welcome words to the Minister of Community and Social Services. We are delighted that he is here today and we are looking forward to having him around for a very long time.

Hon. Mr. Drea: Mr. Speaker, may I just respond to that totally unexpected welcome? No one has ever welcomed me to anything in my life. I do appreciate the sentiments of the House and I do also appreciate the many cards, letters, books and visits from members of the House. I will be responding to those in a more formal way.

I also want to say today that I do appreciate particularly the undertaking of a very onerous task by my friend and colleague the honourable Provincial Secretary for Social Development (Mr. McCaffrey). I understand how onerous it is to take on the responsibilities of another minister while maintaining one's own portfolio. I have done it myself from time to time. It is a very difficult task.

2:10 p.m.

At my personal request, the minister accepted the responsibility and has been a great strength and a great resource to me since September 22. The people of the province have been very well served by him in assuming the administrative and some other responsibilities in a very large and very significant portfolio.

I regret that he is going to have to do it for a few more days, but I did want to draw the attention of the House to the excellent manner in which he has carried out those functions, and I express my gratitude and thanks to him for doing it in such an exemplary manner.

STATEMENT BY THE MINISTRY

SOCIAL ASSISTANCE PROGRAMS

Hon. Mr. Drea: Mr. Speaker, here in Ontario we have a social assistance system that is truly second to none in Canada, and that is a fact that every resident of Ontario should be proud of. In spite of difficult economic times, Ontario has continued to fulfil its commitment to look after the people in this province who cannot fully provide for themselves: disabled people, elderly people, single parents and people without jobs for one reason or another.

I say with pride that while other jurisdictions are cutting back in social assistance, this province has not cut a single social benefit or program. Instead, as a result of the prudent management of the resources available to us, both human and financial, we have been able to enhance, expand and make improvements in our social assistance programs.

The members of this House will recall that last October I announced a basic five per cent increase across the board in social assistance as

well as a number of enrichments to the family benefits and general welfare programs. This included an increase in the maximum shelter subsidy paid, and special increases to single employable people receiving general welfare and permanently unemployable people receiving family benefits. We intend to continue to make improvements in our social assistance program here in Ontario.

Today I am pleased to announce a package of new improvements that will become effective January 1, 1984. The total provincial cost of the improvements I am announcing today will amount to \$61.2 million for the 1984-85 fiscal year and \$15.5 million for the last quarter of this fiscal year. Let me point out that this will bring my ministry's estimated spending for social assistance in 1983-84 up to \$1.2 billion. We estimate that our total spending for all social services this year will be about \$2.4 billion. That includes our estimates, our forecast supplementary estimates and administration costs. As members know, these costs are shared with the federal government under the Canada assistance plan.

Let me run through the four main items in that improvement package, Mr. Speaker.

First, we will be introducing a five per cent across-the-board increase in basic allowances for the approximately one quarter of a million recipients of family benefits and general welfare allowances.

Second, we will be bringing in a special increase for single employable people on general welfare assistance. Instead of the five per cent across-the-board increase, people in this category will receive a 7.6 per cent increase. This initiative is aimed at helping those who are truly the new victims of the recession, people who can work and want to work but cannot find jobs because of the economy.

Third, we will be increasing the maximum shelter subsidy by \$15 across the board for all family sizes. This is a program that provides additional assistance on top of the basic allowance to recipients who have high shelter costs. The increase I am announcing today means the maximum shelter subsidies will range from \$90 to \$140, depending on family size.

Finally, we will be introducing special enhancements and improvements for physically and mentally handicapped recipients. Let me outline those enhancements and improvements for handicapped people. I want to stress that these are improvements that handicapped people will receive in addition to the increases in

basic allowance and shelter subsidy I have just outlined.

Under our income maintenance system here in Ontario, handicapped people receive an enriched level of income under the guaranteed annual income system for the disabled program, which is delivered by the province under the Family Benefits Act. Gains-D recipients with home heating fuel costs have always had these costs included as part of their special needs allowance. However, effective January 1, 1984, we will begin reimbursing clients for fuel in addition to the basic disabled allowance.

This change will have an immediate effect on about 5,100 recipients who are paying their own heating costs. We estimate these recipients will benefit by an average of about \$30 a month; some could be lower and some could be much higher, depending on fuel costs.

Second, we will be introducing a new special payment of up to \$350 for people who are leaving institutions and need help getting established in the community. Under this new initiative, the general welfare recipient will be provided with funds to cover such items as the deposit on monthly rent, buying utensils for setting up a kitchen and the like. Our aim, of course, is to ensure these people receive the help they need to begin their new independent living with as much ease as possible. Family benefits recipients at present receive a discharge benefit.

Third, we will raise the maximum monthly relocation benefits for disabled clients. This benefit is available in cases where a disabled client must move temporarily to another community to take a vocational training course and so has the extra cost of paying for accommodation in two communities.

Finally, the maximum monthly benefit under the handicapped children's benefits program will be increased by 11 per cent. Effective January 1, 1984, parents looking after their severely handicapped child at home will be able to receive a maximum of \$250 a month under this program, up from \$225 a month.

There will be a number of other adjustments to benefits as well, but I have covered the highlights today. I think it is important at this point that I put these improvements in the context of the overall benefits that recipients receive. I want to emphasize that one cannot get an accurate picture of our recipients' total income by simply adding together the basic allowance and shelter subsidy. Accordingly, let

me outline today the total benefits a recipient will receive as of January 1, 1984. I will use as an example a mother of two on family benefits, one of our typical examples.

First of all, that family will receive a cheque for \$716 per month for its basic allowance and shelter subsidy. In addition, the family will receive monthly family allowance cheques, the child tax credit, Ontario tax credit and a back-to-school allowance. If we prorate the tax credits and the back-to-school allowance over 12 months, those additional cash benefits will raise the monthly figure to \$872 a month, or \$10,457 a year.

Let me go further, though. The family receives more benefits as well. When we count in benefits most people must pay for, such as Ontario health insurance plan coverage, prescription drugs and basic dental care, eye glasses, hearing aids and the like, on an average, this family receives a total package with a dollar value of about \$11,400.

Recipients are also allowed to earn certain amounts through part-time employment without affecting their basic allowance. In fact, a single mother whose children are in school, for example, could add up to an additional \$190 per month to her income through part-time earnings.

I have included some examples in the sheets attached to the information package. If members study those sheets, they will see that the total income picture is considerably higher than most people realize and, in fact, provides for the basic needs of all Ontario recipients. They may pick out one specific area and say in this area that Ontario's rates are behind such-and-such other provinces. The fact is, in terms of total benefits, Ontario's social assistance system ranks among the best on this continent.

I believe that as a government we have a responsibility to provide as much help as possible to those in our society who, through no fault of their own, need our support. I am talking now not only about those who are blind or disabled or unable to work, but also about those who have worked for years and find that because of the economic climate they are now unemployed, in many cases for the first time in their adult lives.

In some cases, that may involve providing more than just financial help. One of our most recent initiatives which we are particularly proud of is our program to provide assistance to sole-support parents who want to get off social assistance and become self-sufficient.

The members of the House will recall we introduced a range of employment support initiatives in nine test communities in Ontario. To date, we have been overwhelmed by the amount of interest single parents have shown in this program. The extent of the response at all levels has exceeded all our expectations. Through this program, I believe we have established once and for all that the employment supports we have put in place are not only needed by our recipients, they are also wanted by our recipients.

2:20 p.m.

Certainly, there are some people who try to abuse our income maintenance system, those who attempt to obtain benefits for which they are not eligible; but they are relatively few, and we have safeguards in place to make sure those few are discovered and dealt with.

The fact that we have not cut a single social benefit or program, as so many other jurisdictions have done during this period of recession, is hard evidence, I believe, of our commitment to ensure help is available to all those in need. This year my ministry will be backing up that commitment with a budget that will approach \$2.4 billion. That is a substantial expenditure in anybody's books.

Here in Ontario we have a tradition of helping those people who are physically, emotionally and socially disadvantaged and who are unable to provide for themselves. I am confident the improvements I have outlined today will serve to continue that tradition.

ORAL QUESTIONS

FAMILY BENEFITS

Mr. Peterson: Mr. Speaker, I have a question for the Minister of Community and Social Services with respect to his statement. Referring to page 4, I understand there will be a five per cent across-the-board increase in basic allowances for one quarter of a million recipients of family benefits and general welfare assistance, as well as a special category of 7.6 per cent for certain employable people who are not working at the present time.

The minister will be aware that the last increase of five per cent was a year or so ago. Inflation over the past two years has been 15.8 per cent. The combined effect of these two increases has been about 10 per cent. These recipients are still falling behind the rate of inflation. The minister will also be aware that it was his government that was persuaded a year ago that doctors deserved some catch-up because

they had fallen behind inflation over a period of years. Why would that same logic not apply to behind the rate of inflation. The minister will also be aware that it was his government that was persuaded a year ago that doctors deserved some catch-up because they had fallen behind inflation over a period of years. Why would that same logic not apply to family benefit recipients or welfare recipients who have also fallen behind inflation over the past two years?

Hon. Mr. Drea: Mr. Speaker, I will dispute with the Leader of the Opposition that the inflation rate over the last two years has been 15 per cent.

Mr. Ruprecht: Give us the correct figure.

Mr. Speaker: Order.

Hon. Mr. Drea: We have not been universal in our increases. I made it plain when I became minister that we would be selective. In many cases, we have far exceeded any type of inflation. I can talk about the women who are 60 to 64 years of age and about the people who are permanently unemployable who were raised up to the disabled level. These were very substantial increases, well over 30 and 35 per cent.

Last year, in addition to the basic increase, we went out to do something for the new class which is on social assistance, the people who simply could not find a job because of the recession. We also moved in our shelter areas to do something for those who had to purchase shelter, whether it was at a rooming house, boarding house or other type of dwelling in the private market rather than under subsidized housing. We recognized that need.

This year we have looked at the disabled, the handicapped and so forth. Last year we made it plain our particular thrust was for the employables and those bearing the brunt of the economic depression, particularly in terms of unemployment.

Overall, when one looks at last year, the cost year at this time was about \$52 million. This year we are bringing in a program of increases that costs more than \$61 million. We have not cut a single program. We are dealing as fairly, as justly and as economically responsibly as any government on this continent with the victims of the depression as well as with long-term social assistance recipients.

Mr. Peterson: I certainly welcome the special programs the minister has brought in, targeted as they are, but the reality is that there is still the forgotten group in his program which is only going to go up by five per cent this year and

which is consistently falling behind inflation. That is the reality.

The minister is part of a government that is discussing restraint. It is presumably going to introduce something in this House tomorrow. It is also the same government that allows Hydro increases of eight per cent. These same people have to pay Hydro increases. Certain groups in society have been exempted from these restraints, i.e., the doctors.

Does the minister not feel these people at the bottom end of the scale, the unemployables as opposed to the employables he wants to address, deserve a chance to catch up to inflation too? Surely he has missed a very important group in his program.

Hon. Mr. Drea: I do not follow the logic of the question. We concentrated on the employables last year. We are still concentrating on them. If the member will look at the statement in some depth, he will see that this year we also have a very significant thrust for the long-term handicapped or the unemployables. No government on this continent has worked harder than this one to keep the disadvantaged abreast of the recession and other economic factors in this country.

It is not a question of who got what kind of increase in terms of the private sector. In fact, the increases in social assistance of the last two years have exceeded the government restraint program. I do not think it is a question that certain people are being forgotten. If there is a category or person that is being forgotten or ignored in this province, I challenge the Leader of the Opposition to tell me about it.

We have looked far and wide. We have done all kinds of things for particular groups, especially the most disadvantaged, people who were forgotten for a quarter of a century. The member may not like the rates, and that is fair criticism, but I object strongly to the suggestion we have forgotten anybody.

Mr. Rae: Mr. Speaker, the minister said he challenged the figures with respect to the increase in the cost of living. I would like to ask the minister to consider the following facts, and if he disputes them, let him set out his own. There were increases announced in February 1981 and October 1982 and now these increases have been announced today. Since February 1981, the consumer price index has increased by more than 20 per cent.

Mr. Speaker: Question, please.

Mr. Rae: Does the minister not agree that the income of the neediest citizens of this province should at least keep pace with the increase in the overall consumer price index and the overall increase in the cost of living, such as hydro, heat, fuel, rent, food and so on? How can he deny the fact that, all things considered, the rate of support for the neediest citizens of this province has fallen behind the increases in the cost of living?

Hon. Mr. Drea: Mr. Speaker, that is factually incorrect. A great many of the so-called neediest in the province whom the leader of the third party is talking about are outside the scope of increases in the cost of heating, rent and so forth. They are in subsidized housing where those costs are met. That is why we have asked him to compare the total package rather than the basic needs.

The point the Leader of the Opposition made about 15 per cent was for the last two years. The leader of the third party has gone back three years to go up to 20 per cent. There is no one on this continent, whether he is working at the most affluent job or is on unemployment insurance, who has kept pace with inflation since 1980 or 1981, including everybody in this House. Nobody has been able to keep pace with it. To suggest that one of the things that should be done is to start indexing everybody again so they can keep pace with inflation is the fastest way to recycle inflation and have it going again. We would wind up in the same recession we are now trying to recover from.

2:30 p.m.

Instead, we are targeting certain groups in the disadvantaged area. We have targeted those who are facing the full vicissitudes of market rent. We are talking about the single unemployed and the long-term disabled. Over a period of two years we have been very selective in dealing with those who face particular problems because of economic circumstances. In addition to enhancing and increasing the individual benefits, I remind members that not a single program has been cut and no other jurisdiction can say that.

Mr. Wrye: Mr. Speaker, the fact is that doctors have managed to keep up very nicely with inflation.

Mr. Speaker: Question, please.

Mr. Wrye: Had the doctors been included in the restraint program, this government would have had \$82 million of additional money to help these people with. In Toronto, for exam-

ple, the minister will be aware of the following increases since 1980 in inflation: transportation, 44.7 per cent; health care, 33.2 per cent; shelter, 28.6 per cent; water, fuel and electricity, 50.4 per cent; and food, 26.1 per cent. Given these past increases, how can the minister stand in his place and justify a five per cent increase today?

Hon. Mr. Drea: With a lot more confidence than someone who would make silly statements like that.

Mr. Bradley: And now for the answer.
Interjections.

Hon. Mr. Drea: I did not hear that. What did the member say?

Mr. Bradley: And now for the answer.

Hon. Mr. Drea: Not you; him.

Mr. Wrye: Try to answer.

Mr. Speaker: Never mind the interjections, please.

Interjections.

Hon. Mr. Drea: Do you have to have him do you thinking?

Mr. Foulds: Absence has not improved the minister.

Hon. Mr. Drea: I really fail to see what the salary or the professional fee adjustments of the doctors have to do with the particular enhancements and improvements I am announcing. I do not understand the thrust of the member's question except that he obviously wants more. As a representative of a party that wants to balance the budget, that fought the Treasurer last year on any of his increased expenditures and that preaches thrift, how much does the member suggest?

Interjections.

Hon. Mr. Drea: Does he want 10 per cent or 20 per cent?

GRAY COACH EMPLOYEES

Mr. Peterson: Mr. Speaker, I have a new question for the Minister of Labour. This morning I met with the leadership of Local 113 of the Amalgamated Transit Union in this province. The minister will be aware that there are now discussions under way and a recommendation from the Toronto Area Transit Operating Authority to adopt a recommendation that would jeopardize the jobs of some 230 drivers now employed by Gray Coach but who are working for GO Transit. I am sure the minister is aware of this situation.

What is the minister doing to protect the jobs

of those 230 people who have worked through Gray Coach for GO for a long period of time, who have earned their seniority, whose average seniority is between 15 and 20 years, and who have demonstrated competence and loyalty to their work situation?

Hon. Mr. Ramsay: Mr. Speaker, the first comment I might make is that I am disappointed those people did not see fit to come in and talk to me or even request the opportunity to come in and talk to me. Instead, they have gone to the Leader of the Opposition so that he would be able to raise it here in this Legislature. Certainly, we are concerned about the circumstances and we are taking a good look at the situation.

Mr. Peterson: What kind of silly response is that, that these people cannot talk to members of the opposition of whatever party? Is he threatening them or what?

Mr. Speaker: Question, please.

Mr. Peterson: It is ridiculous for the Minister of Labour to make that kind of response. They have made arrangements to talk to his deputy. He should be on top of this. It was in the Toronto Star and a variety of other places that an agency of his government is doing it. The minister has no right to make that kind of response in the House.

Mr. Speaker: Question, please.

Mr. Peterson: Would the minister not agree that this is a very clear case where he has to apply his policies, if he has any, of preferential hiring? There are 230 people in jeopardy of losing their jobs to an agency of his colleague. What is the minister going to do? What is the current state of negotiations? Is he going to intervene to make sure these people have preference if that policy is adopted by GO Transit?

Hon. Mr. Ramsay: Mr. Speaker, I would first give a word of clarification. I have no quarrel whatsoever with anybody speaking with the Leader of the Opposition or the leader of the third party. In fact, I think it is very productive that they do so in many cases and not just come to members of the government. Sometimes it brings the problems out there in the work place to the attention of the opposition parties as well as of the government. I think that is a very positive thing and I would never suggest at any time that anyone should not follow that practice.

What I attempted to say earlier is that these people had not seen fit to come in to see me. I would like them to come in and there is an invitation for them to do so. We will sit down

and try to find a resolution to the problem. That is the point I was trying to make.

Mr. Rae: Mr. Speaker, quite apart from meetings, which are important, it has been reported that the cabinet is going to be discussing this matter on Wednesday. I would ask if the minister is aware of that and if he could confirm that for us?

Second, is the minister aware that part of the report that was apparently adopted by GO Transit on Friday is a chart showing savings from having a fresh start in business? This is where they come up with \$4 million in savings, of which \$620,000 comes from lower wage rates, \$280,000 from lower vacation costs and nearly \$200,000 from reduced out-of-pocket costs.

Would the minister be prepared to come back to the House tomorrow and report on any further information he has about the issues of job security, which is essential for these drivers? Could he also report anything further on the question of lower wages and lower living standards, which also appear to be part of the package being stuck to them by GO Transit?

Hon. Mr. Ramsay: First, it has not been brought to my attention that there is to be any discussion of this at cabinet on Wednesday. There could well be, but at the moment I am not aware of it.

As to whether I would come back tomorrow with this information, I am not sure whether I can or not. I will certainly make a commitment to come back before the House adjourns on Wednesday of this week.

Mr. Mancini: Mr. Speaker, I am very surprised the Toronto Area Transit Operating Authority could recommend that these 230 drivers be let go without an opportunity for them to be rehired. I am surprised they would do this without consultation with the Minister of Labour or the Minister of Transportation and Communications (Mr. Snow). Do these authorities operate on their own without any government intervention? Who is looking after the welfare of workers when these operating authorities can make such drastic decisions without coming to this minister or the Minister of Transportation and Communications?

Will the minister follow up on the suggestion of the president of Local 113, that if nothing can be resolved politically on this very important and serious matter, then the minister should appoint an arbitrator to try to resolve it?

Hon. Mr. Ramsay: I am not going to make any commitments in this House until I have had a

chance to talk to the principals involved. I just have not had that opportunity, but I want to do that at the earliest possible opportunity.

DISABLED PERSONS' GUARANTEED INCOME

Mr. Rae: Mr. Speaker, my question is to the Minister of Community and Social Services. We have raised in the House our concerns about what is happening to inflation. However, we are also concerned about the rate of support for people who are suffering from a long-term disability and who are receiving income assistance from the government under the guaranteed annual income system for the disabled.

Could the minister justify to the House why the rate of assistance paid by the government is so much lower for these people than for people who are over 65, who are also retired and who are out of the labour market? Why is there such a major discrepancy between the levels of support the government provides for those who are disabled and those who are over 65?

2:40 p.m.

Hon. Mr. Drea: Mr. Speaker, first of all, this government is not providing the bulk of the support for those over 65. The honourable member is shaking his head.

Interjections.

Mr. Speaker: Never mind the interjections.

Hon. Mr. Drea: First of all, the basic pension that comes to everybody over 65 is their old age pension; that is paid for out of income taxes and is a federal government responsibility. Second, the Canada pension plan, the guaranteed income supplement and so forth are federal. The disability pension in this province, particularly for those who are unemployable rather than totally physically disabled, as in the past, has been raised enormously in the past year and a half. So we have done that.

It is probably not at a level that is commensurate with other levels of pensions that are paid to those who become disabled after being in the work force, because much of that is based upon the contributions they have made while in the work force. Many of the disability pensions we have pay only a portion of a person's true costs. For instance, the pensions that go to developmentally handicapped people who are in the community do not, in any way, shape or form, begin to pay the real costs of their being in the community.

I think the member has to look at the context of not just a flat amount but the particular

person who is receiving the pension or the allowance and what other programs are available to them. Unlike employables, where we have made it a responsibility to try to get them back into the work force—in fact, we are working very actively with the municipalities to do so—the re-entry into the community of the disabled or the unemployables is through various programs that are funded, in almost every case, entirely by the province.

Mr. Rae: The fact remains that with the five per cent increase announced today, plus the maximum shelter subsidy, a single, disabled person receives \$477.87 from the government of Ontario. That is the guaranteed income a single disabled person has to live on in this province—less than \$500 a month.

What I am asking the Minister of Community and Social Services is, why is the government not moving to provide a guaranteed income for that person that is at least on a par with the guaranteed income now being provided for people over 65? Why does the government not move to a guaranteed income in this province that ensures nobody is living in a condition of poverty? I hope the minister will agree that less than \$500 a month for a single, disabled person is living in poverty in Ontario.

Hon. Mr. Drea: Once again, and I hate to have to belabour this, it depends on where the person is living and which particular program the disabled person is in. One cannot make a blanket or universal statement that everybody who is a disabled person in this province and is receiving an allowance or pension from the Ontario government lives in poverty. I trust the leader of the third party will concede that.

This government has been making very steady progress over a number of years in addressing the problem of the congenitally disabled, if one wants to call them that, who have become disabled without ever having any access to being in the work force, or those who in middle age, because of health matters, become disabled. We have been moving towards a decent and fair basic series of allowances.

As I pointed out in the statement, there are also a number of programs that are paid for them. There are a number of other benefits that are available to them depending upon their situation. If we were to put out that amount of money and have no subsidized housing, then I would be the first to agree with the leader of the third party. But we have more subsidized housing than anywhere else in Canada, and a great

deal of that subsidized housing goes to disabled people.

We have a great many vocational rehabilitation programs for disabled people to either get themselves back to full self-sufficiency or partial self-sufficiency. In this province, we are second to none in our total accomplishments in that field. If the member for York South (Mr. Rae) wants to carp and criticize, if he wants to whine and complain that it is not enough, then he can go ahead. He always does anyway.

Mr. Peterson: Mr. Speaker, the constant recommendation that has come forward from every pension committee, every group and every royal commission on the pension area on the whole question of the guaranteed annual income system for the aged is that the single rate should be brought up to higher than 50 per cent of the married rate for our senior citizens, a vast number of whom are living in poverty. Why does the minister choose not to address this question, and when will he?

Hon. Mr. Drea: Frankly, Mr. Speaker, that is not my jurisdiction.

Mr. Rae: I just want to go back to this point to try to get the minister to address the unfairness that is built into the current system, where there are people who are unable to get a job because of a long-term physical disability and who, if they are reliant solely on the provincial government, are receiving much less than \$500 a month.

I am trying to get the minister to address the unfairness of that system. Would he not agree it is time this province moved towards a system of guaranteed income, an income maintenance, to ensure that no one in this province who has to rely on the provincial government for support is living in poverty and that no one who is working is living in poverty?

Will he not address this problem? What is holding him back from looking at attacking a very real problem for literally thousands of people in this province who rely on the provincial government, and the provincial government alone, as their entire source of income support?

Hon. Mr. Drea: I have been addressing that question ever since I have been the Minister of Community and Social Services. As a matter of fact, prior to my time, there were two classes of disabled people. One of them was a class called permanently unemployable; they did not get the full rate of a disabled person. The New Democratic Party sat in here for 12 or 14 years

demanding that be equalized. It took me 24 hours to equalize it. So the member should not tell me I have not been addressing the problem.

If he is going to criticize what I have done today, then I sincerely suggest that he will have to do better than to whip out the old saw about needing a guaranteed annual income in Ontario. If that is the best way he can criticize what I am doing, then obviously this government is to be commended for its progress, its foresight, its prudence and its ability to do things no other government in this country or on this continent has done or is able to do today.

That is a very proud accomplishment of this government. It is a great tribute to the former Treasurer and present Minister of Industry and Trade (Mr. F. S. Miller). It is a great tribute to the present Treasurer (Mr. Grossman). Above all, it is a tremendous credit to the Premier (Mr. Davis).

BALLYCLIFFE LODGE LAYOFFS

Mr. Rae: Mr. Speaker, my second question is to the Minister of Labour. It also concerns a contracting-out situation and a job loss situation. It deals with job losses in the health care system that have already been commented on by the minister's seatmate, the Minister of Government Services (Mr. Ashe).

As the minister may be aware, I am referring to the fact that the Ballycliffe Lodge Nursing Home, within the public sector, is laying off 32 health care aides, effective November 30, 1983. These 32 employees are being fired by this home, and the positions are being contracted out to Medox health services, which is a division of Drake International.

I want to ask the minister whether he is aware that these layoffs are taking place. Is he aware that the replacement employees, who will be hired by the subcontractor, will be receiving, according to the statements by Medox, somewhere around \$4.25 to \$4.50 an hour maximum, whereas nurses' aides are now earning \$8.19 an hour at the nursing home? Is the minister aware of those facts, and what does he intend to do about them?

What does he intend to do about the fact that people making \$8 an hour are being laid off and tend to be replaced by entirely new employees through a subcontractor, making as much as \$3.50 or maybe even \$4 an hour less than the employees who are working there today?

2:50 p.m.

Hon. Mr. Ramsay: Mr. Speaker, I am aware of the circumstances. This is not the first time

this has occurred over the past number of months. Various establishments in the health care field and otherwise are struggling to maintain their operations in a period of recession and restraint. It is a very complex matter of successor rights, and there is no simple solution to the problem. It is something our ministry is wrestling with at present.

Mr. Rae: This is a nursing home that relies on public funds for its support. It is a private-profit home, but it relies extensively on public funds. The minister will be aware that in 1980, Ballycliffe Lodge added a new 70-bed retirement home, which is now 93 per cent full and which brings in a minimum of about \$653,000 annually. The 100-bed nursing home is full, bringing in about \$1.5 million. Has the minister or any of his officials seen the books of this company? If they have not, will they examine the books of this company?

Will the minister explain why a company that has met with a union, had a contract with a union and negotiated with a union and with its employees, and come up with an agreement, is now out to destroy the collective bargaining rights of the union at this nursing home as well as the rights of 32 employees whose seniority is being totally neglected and forgotten, who are being put on the street and who are going to be replaced by people making close to the minimum wage? Will he at least look at this situation and see what he can do?

Hon. Mr. Ramsay: It must be borne in mind that there was a contracting-out clause in that collective agreement. Therefore, the nursing home is acting within its rights to exercise that clause. I am sorry. What was the honourable member's last point?

Mr. Rae: Is the minister going to look at the books? What is he going to do?

Hon. Mr. Ramsay: No, I have not seen the books and I do not intend to look at them.

Mr. Peterson: Mr. Speaker, the same kind of thing is happening at the Brantwood Manor in Burlington and at the Willson Nursing Home in St. Thomas. They are closing down and transferring the patients out to another licensee, Carescent. All those people will lose their jobs.

Is the minister not concerned that there are a lot of labour violations—at least that is what one would assume they are, at first look—with respect to the granting of those licences? Will he undertake to talk to his colleague who grants those licences to make sure the rights of employ-

ees are protected when there is a transfer of a nursing home licence?

Hon. Mr. Ramsay: Mr. Speaker, I will be delighted to talk with my colleague as suggested by the Leader of the Opposition, but again, if I may repeat myself, this is a matter for collective bargaining. When these contracts are signed, they should be attempting to eliminate these contracting-out clauses. They are in certain of these collective agreements at present and therefore the nursing homes or other establishments, whether we like it or not, happen to be within their rights.

Mr. Rae: The Minister of Labour is part of a government that has destroyed the ability of this union to bargain for its employees. It took away the right to bargain a contract that would protect against contracting out. How can the minister have the blatant hypocrisy to stand up in this House and say they have the right to protect something when he brought in Bill 179 and took that right away from those workers?

Mr. Speaker: I have to remind the member for York South that the use of the word "hypocrisy" is unparliamentary and not acceptable in this chamber. I ask him to withdraw it, please.

Mr. Rae: Mr. Speaker, I withdraw it and I ask the minister to answer the question. How can he have a double standard which tells workers to go out and bargain for collective agreements that protect them, and then take away those collective bargaining rights and spend four months emasculating the trade unions of the public sector? He can he possibly live with himself with that kind of double standard?

Hon. Mr. Ramsay: I am not sure whether there was a question there or just an address by the member. I do not have any problem living with myself.

DAY CARE

Mr. Wrye: Mr. Speaker, I have a new question for the Minister of Community and Social Services. We have been saving them up while he has been away. I would like to welcome him back.

The minister will be aware that, in Metropolitan Toronto particularly, those who were eligible to receive subsidized day care far exceed the supply of spaces available. As a result, many municipalities, Metro in particular, are revising their day care priorities so that only those most desperately in need will receive priority. Metro is now forced to revise its list, and the minister

includes such discriminatory factors as family size and child age.

Metro is proposing: "To utilize scarce resources more effectively and to provide the service to those most in need, the following order of service priority based on child age is suggested: (1) preschoolers, (2) infants, (3) school age children."

Is the minister satisfied with the fairness and justness of such criteria for receiving subsidized day care in this province, or will he endeavour to provide the funding necessary to municipalities such as Metro so that such measures as a child's age are not used as factors in assessing the need for subsidized day care?

Hon. Mr. Drea: Mr. Speaker, let us make it very clear what is going on in Metropolitan Toronto. I think everybody in this House will agree, and I am sure the honourable member knows this, that in Metropolitan Toronto the priority goes to those who are trying to get off social assistance and who are in the process of either getting a job, being retrained for a job or actually in a job.

Until now, one of the problems had been that the sole-support mother had to compete with the woman who already had a job and who had another wage earner at home. Granted, they were in a low-income category, but it was very difficult for sole-support mothers, when trying to get a job and when day care was an absolute necessity, to compete in that market. We have provided a large number of spaces for those people.

In terms of Metropolitan Toronto's day care, it has the right to set its criteria. We have been very flexible in what we have allowed it to do. I draw to the member's attention, although I do not have details with me, that by far the preponderance of subsidized day care spaces in Ontario are in Metropolitan Toronto. It is not a question of Metropolitan Toronto not being properly funded.

It is the view of the ministry at this time that there had to be a particular thrust on those who were trying to get off social assistance. That is where the new day care spaces are going. I hope the member is not suggesting I take that away from those women and turn it back to somebody else.

Mr. Wrye: Let me tell the minister a new problem he is potentially going to give Metro and a number of other municipalities. This year the ministry issued new guidelines and a new form called Determination of Available Income,

form 0726, for defining a person in need who seeks subsidized day care facilities.

The minister may be aware of the concerns some municipalities have raised with respect to these guidelines and the new form. For example, under the government's guidelines, registered retirement savings plans are included as an asset for those persons who do not even have access to a company pension plan. Could the minister tell the House why, in his determination of a person in need, group pension plans are not considered an asset but individual RRSPs are? Will he assure the House that he will revise these guidelines so this discriminatory aspect is eliminated?

Hon. Mr. Drea: I believe a member with such close ties to his federal party, which he likes so much, would want to talk to the federal people, because they are the ones who pulled the plug. They are the ones who put in the new eligibility. They are the ones who stopped the subsidy in many of the communities, particularly in western Ontario. If we have any fault, it is that we have been far too lenient. The member had better go and ask them, because they did it.

Ms. Bryden: Mr. Speaker, I am sure the minister is aware that there are more than 1,000 people waiting for day care subsidies in the municipality of Metropolitan Toronto. The municipality itself is coming to him, asking for additional spaces to try to meet the needs of those people on the waiting list. Has the minister met with the municipality and if so, is he prepared to increase the number of spaces in Metropolitan Toronto to meet this need?

3 p.m.

Hon. Mr. Drea: Mr. Speaker, obviously it does not take very much to know that I have not met with them. Second, I have seen some of the things they have said. I want to study in some depth what they are saying and when they say it.

NIAGARA REGIONAL POLICE

Mr. Swart: Mr. Speaker, I have a question of the Solicitor General pertaining to Mr. James Gayder, the newly-appointed but unsworn replacement for the Niagara Regional Police chief. Under the minister's order, an investigation into the dealings of gun dealer Mark DeMarco and the relationship between him and officers of the force, including James Gayder, is continuing. Recognizing this, is the minister going to prevent the swearing in of James Gayder as the new chief until the investigation is complete and until any charges flowing from

that investigation and from the internal criminal one on the same issue have been dealt with? At this time, can I have a straight "yes" or "no" answer to that question?

Hon. G. W. Taylor: Mr. Speaker, on many occasions I would be delighted to give a straight "yes" or "no" as an answer to many of the questions asked in this chamber. However, I am sure that would provide great difficulty to any of the government members who have to answer questions from time to time. I am going to disappoint the member for Welland-Thorold. I will not give a "yes" or a "no" to that question because it is not as simplistic as he likes to see it.

This is what will take place. As I have indicated to the member before in this matter—and I have heard from this member during the amendments to the Police Act, amendments that are being debated currently and questions he has put to me before—it is under investigation. I have heard his comments in here and I have not been pleased with those comments. In the atmosphere of this House, he is able to make certain statements while a matter is still under investigation. The member has ridiculed and debased some aspects of the honourable police force in the Niagara region and I would suggest that gentleman owes an apology to that force.

While there is an ongoing investigation, he has made certain statements about that police force to which I take exception. When he makes these allegations and statements in the comfort of the atmosphere in here, he does a dishonour to that fine police force in the Niagara region which, by the way, we are investigating.

We are investigating partly as a result of that member's open letter, which is another aspect of bringing attention to certain features. Here we have an ongoing investigation which has been set up as independently as possible to deal with these allegations which have been made by individuals. It is not unusual for allegations to be made against police officers who try to perform their duties under the most trying conditions.

While there is an investigation ongoing, one should conduct oneself accordingly and at least wait until that investigation is completed before making any further accusations.

Mr. Swart: It is simply preposterous that the Solicitor General is not concerned that this new chief may be sworn in before the investigations are completed.

Is it not true that Mr. Gayder, who is the senior person in charge of the registration of firearms in the Niagara region, himself has a very large collection of handguns? Would the

minister ensure that the investigators examine the vendor permits connected to his acquisition of every one of those guns? Further, because Mr. Gayder is no longer just a private citizen but is slated to be the new chief of the Niagara regional force, would the minister table in this House copies of those vendor permits so it is public knowledge as to how and from whom he acquired those guns?

Hon. G. W. Taylor: There is a very thorough ongoing investigation at this time, for which an adequate number of investigating officers from the Ontario Police Commission have been provided. Where it concerns other forces, they have independent assistance from other forces to investigate a particular police force.

Two proceedings are ongoing at the present time, two prongs to the investigation. One is the procedural aspect of that police force, and the other is allegations of a criminal nature. Those are ongoing. I can only say that it is a very thorough investigation. Many people have come forward to the investigating officers and said they would like to give information. I think it is only fair that when that is completed, an assessment will be made at that time of the evidence and what will flow from that evidence and investigation. I think at this time it is premature to be putting forth certain pieces of information.

I tell the honourable member to visit the investigating officers if he has any information that is of any assistance to them and provide them with the information so that they can follow it up and complete the investigation, instead of making accusations in the comfort and protection of this House as to a person whom an independent police force has decided should be the chief after a very thorough analysis and investigation of that person's assets and benefit to that police force as being their police chief.

I think before he continues to make these comments the member should at least give those investigating officers and the investigation a chance to be completed and make the decision at that time.

ASSESSMENT REVIEW

Mr. Boudria: Mr. Speaker, I have a question of the Deputy Premier in the absence of the Premier (Mr. Davis). The Deputy Premier may be aware that the Assessment Review Board has recently decided to lower the assessment in the case of the Hawkesbury Canadian International Paper Co. mill by some \$2.5 million, thereby reducing the taxes collected by the

town of Hawkesbury by some \$309,000. This is a grave economic situation in eastern Ontario, particularly in Hawkesbury.

The government has given \$125,000 a year for two years to the town of Hawkesbury to make up for a potential loss before this judgement came down. In view of the fact that the loss of revenue is far greater than anyone in the town or even his government anticipated, would the minister indicate to us whether he would support obtaining additional grants for the town of Hawkesbury because of this very difficult situation?

Hon. Mr. Welch: Mr. Speaker, I think the member will understand that we would want to have that matter investigated very carefully. I will draw his question and his concern to the attention of the Minister of Municipal Affairs and Housing (Mr. Bennett).

Mr. Boudria: Further to that, the taxes lost to Hawkesbury, as I mentioned, were \$309,000, but the two school boards and the united counties of Prescott and Russell also lost a considerable portion of their assessment. The town of Hawkesbury, as I said, lost 20 per cent of its assessment in one day. The total loss is \$826,000.

Would the minister take to cabinet the concerns of the united counties of Prescott and Russell and the school boards as well, because the repercussions extend far beyond the town of Hawkesbury and it is indeed a very grave situation.

Hon. Mr. Welch: Yes, Mr. Speaker.

USE OF DEREGISTERED PESTICIDE

Mr. Charlton: Mr. Speaker, I have a question for the Minister of the Environment. The minister is aware, no doubt, that there are serious concerns in Tiny township by a number of residents about pesticide spraying on the Hostess properties. Perhaps he could tell us why it is that in the summer of 1982 his ministry approved for use the spraying of Du-Ter. This is a fungicide that was at one point registered for use in this country but deregistered by Environment Canada in December 1981, and some six months later his ministry approved it for use yet again. Can he tell us why that happened?

Hon. Mr. Brandt: Yes, Mr. Speaker, I would be happy to share with the member exactly what did happen. In October 1981, I believe it was, the federal government deregistered the use of Du-Ter, the particular chemical he is mentioning that was used, I believe, by the Hostess

potato chip company in that area. For some reason that was not shared either with my colleague the Minister of Agriculture and Food (Mr. Timbrell) or with me or my ministry. The federal government did not advise Ontario that it was deregistering that pesticide. It was not brought to our attention, so we found ourselves in the embarrassing position of having a pesticide on the market that we had understood was registered and was appropriate for use in the particular circumstances in Tiny township.

Subsequent to that, we are advised it was deregistered. To the best of my knowledge there is still a limited amount of Du-Ter on the market. However, no further production of that pesticide is allowed, nor it is coming into the market in any additional volumes. Apparently the use of the pesticide has been stopped.

3:10 p.m.

The only thing I can say is that I am as amazed as the honourable member that the federal government would not advise us of the removal of that pesticide. It came as a surprise to us that it would take them something like two years to bring to our attention that they were making that move.

Mr. Charlton: I appreciate the minister's comments, but there seems to be a serious communication problem here. As the minister says, it may be a fault that is occurring in Ottawa, but it is interesting to notice that in the Ministry of Agriculture and Food's 1983 vegetable production recommendations the ministry is still touting Du-Ter as one of the pesticides to use with potatoes. Perhaps the minister can look into the communications networks that exist among the various ministries involved with the use of these very dangerous chemicals so that we can get the situation straightened out.

Hon. Mr. Brandt: Again, the problem is certainly one of communications but not in terms of receiving information at our end. I want to assure the member that it is a problem of the registering authority, namely the federal government, not advising us that it had deregistered the pesticide in question.

Furthermore, the publicity on the part of the Ministry of Agriculture and Food would in all probability have been printed, and I believe it was, long before the deregistering of this pesticide was brought to our attention. That is why one would find it in a publication. That might be a question that could be redirected to that minister.

Mr. Peterson: Mr. Speaker, they did publish this material, and it was the responsibility of the Ontario government to understand that and pick up those conventional publications. They did not. That said, at this point it is not productive to cast blame on this government or the other.

The question now is, how tight a communications system does this ministry have so that this kind of situation will never happen again? The minister is aware of some of the testing irregularities in the United States and the potential ramifications. I would like to hear in the House now the minister's assurances that this kind of miscommunication can never happen again in Ontario.

Hon. Mr. Brandt: Mr. Speaker, I cannot give the honourable member that assurance because the initiative has to be taken by the federal government to advise us of what it is going to do. They are the registering authority and they are responsible for deregistering a pesticide or herbicide.

The only thing I can tell the Leader of the Opposition is that I intend raising this question with my counterpart in Ottawa. I share the same concerns the member has. I would hope to improve on the line of communications. There have been some apologies registered from the Ottawa side of things to advise us that they intend to improve on communications as well. I too would hope it would never happen again. Certainly, I will be looking for it now that this situation has arisen.

ECONOMIC DEVELOPMENT COUNCIL PROPOSAL

Mr. Eakins: Mr. Speaker, I have a question to the Minister of Northern Affairs. He may be aware of the proposal of the Northeastern Ontario Chamber of Commerce working group on economic development which was—

Mr. Speaker: Order. It was drawn to my attention that I missed the member who stood up on this side, the member for Fort William (Mr. Hennessy).

Mr. Foulds: You cannot take the floor away from a member once you recognize him.

Mr. Speaker: Yes, I know, but I had—

Mr. Mancini: Mr. Speaker, you acknowledged the other member first and he is the gentleman who got the attention of the Speaker. Under the

rules we work by it is the member who gets the attention of the Speaker who has the floor.

Mr. Speaker: That is—

Mr. Peterson: Correct; of course it is correct.

Mr. Speaker: Yes, it is. That is quite right. You recognize the first person who is standing—

Mr. Peterson: You just did that. That was the member for Victoria-Haliburton.

Mr. Speaker: —and I just did that, but it was drawn to my attention that the member for Fort William—

Mr. Peterson: By whom?

Mr. Speaker: By the table.

Mr. Mancini: On a point of privilege, Mr. Speaker: That is not historically how we have operated in question period.

Mr. Speaker: If it is the wish of the House, I will go back to the member for Victoria-Haliburton.

Mr. Eakins: Mr. Speaker, I have a question of the Minister of Northern Affairs. The minister will be aware of the proposal of the northeastern Ontario chambers of commerce working group on economic development which was recently released at a meeting at which I believe the minister was present. The proposal will also be contained in the final report.

It recommends forming an economic development council with an operational centre for all of northeastern Ontario to promote a regional approach to economic development. Many of the smaller and rural communities are not able to support their own economic development organizations. For that reason, a regional council would provide valuable assistance to those municipalities.

Would the minister tell this House if he has read the proposal? If he has, will he give favourable consideration and assist in the funding necessary to get this project off the ground?

Hon. Mr. Bernier: Mr. Speaker, the honourable member is correct. I did meet with the northeastern Ontario chambers of Commerce several weeks back and we discussed that proposal in detail.

I outlined to that group what we were doing with regard to economic development, referring to the statement I made here in the Legislature last June 12. I outlined that they and their municipalities could get involved in a broad, all-encompassing program for which funding was available.

I also indicated to them I was prepared to sit down with them and discuss the possibility of

setting up something similar to what we have in the northwest, like Commerce Northwest, a Commerce Northeast which would look at import substitution into that vast region of northeastern Ontario. I think it is fair to say there is some general acceptance of my proposal and we are discussing this further with them.

I am going to take the liberty of sending the member a copy of my remarks to the group, in which I reviewed in detail all the various thrusts we in the Ministry of Northern Affairs are making on behalf of those single-industry communities in all areas of northern Ontario. I know he will find it of interest.

Mr. Eakins: Does the minister have any further comments today on some of the specific recommendations contained in the report such as establishing an economic development council centre which would collect information on regional, national and international economic opportunities suited to the area and act as a referral service for information and contacts in tourism, business and government? Could this centre and Commerce Northwest both be tied in to the efforts of InfoNorth to achieve these goals and more?

Hon. Mr. Bernier: As I pointed out earlier, the ministry and the northeastern Ontario chambers of commerce are continuing their discussions. I think it is fair to say that after some discussion with them they agreed the proposal presented to us was not really what they would like to achieve and they are looking for some other direction.

MINIMUM WAGE

Mr. Samis: Mr. Speaker, I have a question of the Minister of Labour, especially in view of the comments made today by his colleague the Minister of Community and Social Services (Mr. Drea).

Can the minister confirm reports that the increase in the minimum wage will be delayed until March 1984, which means 28 months without an increase, and that there will not be a second increase until October 1984?

Hon. Mr. Ramsay: Mr. Speaker, there will be a full statement by myself in this Legislature, I hope within the next week, which will answer all the questions the honourable member has asked. I think it would be inappropriate for me to comment before then. There has been a lot of speculation in the media. Speculation is exactly

what it is, because final decisions have not been reached as yet.

Mr. Samis: Could the minister at least confirm that he has been heavily lobbied by the tourist industry to delay the timing and the extent of the increase? Would he not agree that the working poor have not had any increase compared to the unemployables and the disadvantaged who are receiving welfare and family benefits? Would the minister not acknowledge that discrepancy?

Hon. Mr. Ramsay: It is true I have been lobbied by the tourist industry and other industries. I have also been lobbied by various groups on the other side of the coin. I have been lobbied by members of my caucus who feel the suggestions I have made are not generous enough, and by others who feel they are too generous. We are trying to reach common ground.

I want to make one point abundantly clear. The delay in making the announcement is not a result of lobbying by any group. It is just a matter of indecision by members of the caucus.

3:20 p.m.

TORONTO TRANSIT COMMISSION CONTRACT

Mr. Hennessy: Mr. Speaker, I think I will have to stand on the desk to be recognized one of these days.

My question is to the Minister of Transportation and Communications. In October the minister said the awarding of a contract involving Can-Car of Thunder Bay that was being looked at by Ian Sinclair for the Toronto Transit Commission would be announced in November. It now being the month of November, has the minister anything further to say on this matter?

Hon. Mr. Snow: First, Mr. Speaker, I think I would like to recall what I did say. I do not believe I said there would be a contract awarded in the month of November; I will have to check Hansard to be sure. However, I did say the word I had from the TTC general manager was that he expected the report from staff, including Mr. Sinclair's report, would be put before the TTC in the first week of November.

I have been trying to find out whether that has taken place or not. I understand from the information I can get via the telephone that report has not yet been put before the TTC, but they hope it will be during the month of November.

PETITIONS

INFLATION RESTRAINT LEGISLATION

Mr. Kerrio: Mr. Speaker, I am pleased to present a petition that has a covering letter from the Federation of Women Teachers' Associations of Ontario over the president's signature, Susan Hildreth. The petition reads as follows:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

The petition is signed by teachers from Niagara Falls, St. Catharines, Niagara-on-the-Lake, Fonthill, Fort Erie, Thorold, Virgil, Hay, Welland, Stevensville, Port Colborne, Wainfleet, Whitby, Scarborough, Pelham, Queenston, Crystal Beach, Ridgeway and Sherkston; and further, from teachers representing Victoria Public School, F.J. Rutland Public School, Greendale Public School, Battlefield Public School, Prince Philip Public School, John Marshall Public School, Martha Cullimore Public School, Steele Street Public School, Oakwood Public School, Caroline M. Thompson Public School, A. K. Wigg Public School, Aldon Public School, Glynn A. Green Public School and Plymouth Public School.

Mr. Piché: Mr. Speaker, I have two petitions, one from G.H. Ferguson Public School and the other Commando Senior Public School, both of Cochrane:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect

would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

G. H. Ferguson Public School has 20 signatures and Commando Senior Public School has 11.

Mr. Wrye: Mr. Speaker, I have a petition to the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario, which reads as follows:

"We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

This petition is signed by teachers from the great ridings of Windsor-Sandwich, Windsor-Riverside, Windsor-Walkerville and, I think, a few even from Essex North and Essex South, and we are pleased to have them as well.

Mr. Mancini: Mr. Speaker, I have petitions similar to those introduced by my colleagues the member for Niagara Falls (Mr. Kerrio) and the member for Windsor-Sandwich (Mr. Wrye). These petitions also deal with the government's restraint program.

The petitions I wish to present to the House have been signed by teachers the Queen Elizabeth Public School, Leamington; Anderdon Central Public School, Anderdon township; Colchester North Central Public School; a group of teachers from different constituencies in the Windsor and Essex county area; and also by teachers at Amherstburg Public School, Harrow District Senior Public School, Jack Miner Public School, Mill Street Centennial Senior Public School in Leamington and Kingsville Public School.

Mr. Foulds: Mr. Speaker, I have a petition to the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario, which reads as follows::

"We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

This is signed by a number of elementary school teachers from the Federation of Women Teachers' Associations of Ontario who happen to reside in the ridings of Port Arthur and Fort William.

Ms. Copps: Mr. Speaker, I have a petition to the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario, which reads as follows:

"We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

This is signed by a number of teachers from Rousseau Public School in Hamilton.

Mr. Breough: Mr. Speaker, I have a petition to the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore

our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

It is signed by teachers on the staff of William G. Miller Junior Public School.

Mr. Ruston: Mr. Speaker, I have a similar petition signed by 33 teachers from Gosfield North Central Unit Public School.

3:30 p.m.

Mr. Hennessy: Mr. Speaker, I wish to table a petition, which reads as follows:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

It is signed by the teachers of the following schools: Vance Chapman Elementary School; Fourway Elementary School; Cornwall Elementary School; Drew Street Elementary School and Crestview Elementary School.

ORDERS OF THE DAY

CONCURRENCE IN SUPPLY, MINISTRY OF CITIZENSHIP AND CULTURE

Mr. Kerrio: Mr. Speaker, I have some comments related to this concurrence. I would like the minister to respond to our critic's concern about the promise that was made to extend the Belleville-Peterborough TVOntario scope by some time in 1983 or 1984.

It seems there has been some backtracking in the estimates. I hope such is not the case and that the minister may give us some assurance that those areas will be covered. I appreciate that to give the service everywhere it is needed is somewhat difficult, but the government took it on itself to do this and made the promise. Once it started off on this particular area of TV coverage, I feel that for those areas that have been promised the promise should be kept.

That is one area of concern. Another area I would like to relate in these concurrences so

that the minister may address it is the quite considerable increase in main office expenditures. We have been told that some of this increase will be used in various other offices or areas. I am concerned that the increase may be used for more government advertising rather than to extend the service of this ministry to where it is really badly needed.

This is a substantial increase. We are talking of 100 per cent increase in that area. I am sure the minister would want to reassure those of us on this side who have the responsibility for pointing out these particular areas where the government has made the promise and either changed its direction or altered the commitment to certain areas and certain people.

These are the two areas in particular that are of great concern to us. There are other areas that have been pursued quite diligently during the estimates. There are going to be some considerable cutbacks in galleries, community galleries in particular. I am not going to suggest that in some instances the ministry should not be watching the purse strings just a little more carefully, but I have to think, on the one hand, while this appears to be their reasoning for it, on the other hand, we have a tremendous increase in the main office, which is diametrically opposite to what they talk about when they are talking of the community galleries.

I hope the minister will address herself to the extension of TV coverage and to this substantial increase in the main office expenditure and its relationship to the cutbacks in the community galleries.

Mr. Grande: Mr. Speaker, I want to take only a few minutes here. Although I am the critic for the Ministry of Citizenship and Culture at this time, as the minister well knows, the member for Hamilton West (Mr. Allen) was the critic at the time of the estimates. Therefore, I am personally in the process of gathering the information that needs to be gathered in order to be an effective critic of the ministry. However, I would like to put two or three concerns I have to the minister that no doubt fall into the area of the Ministry of Citizenship and Culture.

I am not sure to what extent the first point is a personal concern of mine; however, I think it is probably more general in its aspect than just a personal, specific concern. It has to do with Wintario. I know Wintario does not come under the Ministry of Citizenship and Culture, but that ministry makes use of some of the transfer moneys from Wintario in its granting system to community groups for capital construction, etc.

Basically, my concern is about the Half-Back program which falls squarely under the ministry. As a result of the proliferation of Half-Back programs for Canadian-authored books, for films, for stage productions and for magazine subscriptions, it seems to me I am finding that children in schools are being used as advertising agencies for Wintario.

I want to express this concern. I happened to be in my child's school the other day. The principal came on the public address system in the morning, saying to the children, "Boys and girls, don't forget to ask your parents if they have Wintario tickets"—of course, they were not winners—"and bring them to the school so the school can use them" for books, plays or whatever other use the school deems it necessary to make use of those tickets.

Not before this particular time was I struck by this. I am aware of the beginning of the Half-Back program, which easily goes back to about three or three and a half years ago. That was when the Half-Back program came into existence. For the first time I was struck by the fact that my six-year-old son might come home and ask, "Can I have your Wintario tickets?" I would have to say to my son, "I don't buy Wintario tickets."

I wonder to what extent every child in that school and every child in all the schools in Ontario goes home to remind parents whether they have their Wintario tickets and becomes, in essence, an advertisement for the Wintario lottery program. God knows how many times the Minister of Education (Miss Stephenson) mentioned making use of kids for particular purposes, and I happen to think at this time that this is making use of young kids as advertising agencies for the Wintario program, the Half-Back program or what have you.

3:40 p.m.

While I am not putting this particular point into any kind of deep contextual analysis, I am saying to the minister that I am becoming very concerned about this area, and perhaps she will have some response. Anyway, I just wanted to put that concern to the minister.

My second concern deals with the Royal Ontario Museum. It was not long ago, I remember, that the museum did its renovation, which obviously was needed. Wintario put in, through the Ministry of Culture and Recreation at that time, \$10 million or \$11 million. The price tag for the renovation was around \$20 million or \$25 million, if my memory serves me correctly; it was about three and a half years ago.

However, the point is not the renovation of the building. The point is that the reason we went about renovating the building was so that at the end of that process people in Ontario would have a better museum, a museum in which the artefacts could be better protected; a museum whose artefacts, I understood, were kept down in the basement by the ton because of a lack of space to exhibit them.

What I find, to my astonishment and amazement, is that at this point only 25 per cent of that museum is open. Why is that? After we spent so much money, \$15 million or \$20 million, why do we still have less of the museum open than we had three and a half years ago? I hope the Minister of Citizenship and Culture (Ms. Fish) has an answer to that, because basically the longer the museum stays open at 25 per cent capacity the longer children, adults and everyone who would like to attend that museum will be limited in the kinds of things that are exhibited at the museum, and limited in their attendance.

What I understand from some people at the museum is that the reason only 25 per cent is open is the lack of funding to open the remainder of the museum. Is it possible that we spent \$20 million to renovate the museum and that after the process the museum has less capacity or ability to be of service and of use to the people of Ontario? If that is the case, I think it is a great shame indeed, and I am looking for some answers.

The next point dealing with the museum has to do with the two exhibits they put on lately, *In Search of Alexander* and *The Treasures of the Tower of London*. I might say to the minister that I attended both of them and I thoroughly enjoyed them. However, my understanding, again from some people at the museum, is that those exhibits came in at a deficit. In other words, if the reason the museum was putting on these exhibits was to make some money so they could reopen more and more parts of the museum, it certainly did not achieve its goal.

As a matter of fact, and I could be wrong, I understand that since those exhibits came in at a deficit, the museum is a long way from being fully open—unless, of course, this ministry begins to put sufficient money in the facilities that would allow it to open its doors at 100 per cent, if it is possible to open and use 100 per cent of the space in the museum. I am looking for answers there as well.

Third, and last, I am sure the Minister of Culture and Citizenship is aware of the six

questions I put on the order paper November 2. If the minister is not, I want to inform her that three of those questions deal with multiculturalism as defined by the Premier (Mr. Davis), and by the Deputy Premier (Mr. Welch) when he was Minister of Culture and Recreation a few years back. Basically, it says that, regardless of ethnic origin, people should have access to job opportunity, housing, etc.

Through those questions I want to find out—and I hope the Ministry of Culture and Citizenship will take a lead in this because, after all, it falls squarely in that ministry—whether the theory of the policy of multiculturalism gets translated into reality.

Basically, what I am talking about in those questions on the order paper is whether the reality is employment. I want to find out how many people from ethnocultural backgrounds are employed by the different ministries of the government and how many of those people have positions that can be defined as positions of responsibility within the ministries in the government.

We can talk about multiculturalism all we want. We can stand in this House, as the Premier has done on occasion, and as he does every time he goes out to speak to ethnic communities, and talk about the tremendous, fantastic multicultural policy we have, but we and the ethnic communities want the proof of that policy. If it is not there, it is good that we know.

I certainly hope those particular questions will be answered with speed within the 14 days allowed for answering a question on the order paper. I hope the minister is going to be instrumental in making sure, because the minister should make sure that these questions are answered. As I said, it is part and parcel of the Ministry of Citizenship and Culture.

The other three questions deal with our visible minorities and basically ask the same questions. They change the words "ethnic minority" to "visible minority." These questions are not put on the order paper so I can get facts and information from the government in order that I store it away away in a drawer in my office. They are put on the order paper because both the ethnic communities and the communities that have visible minorities are asking these basic, fundamental questions. They want to know.

It is not good enough for the Premier of this province to stand up and say discrimination is not tolerated in any way whatsoever by this

government; the Premier has to show proof. With those questions on the order paper, the burden of proof is now on the government. I hope the answers will be quickly forthcoming.

With that, Mr. Speaker, I thank you very much for the opportunity to put these three concerns on the record.

3:50 p.m.

Mr. Conway: Mr. Speaker, I wish to say a few things about the concurrence in supply for the Ministry of Citizenship and Culture. Let me start by saying that this is the first formal opportunity I have had to congratulate the member for St. George (Ms. Fish) upon her recent elevation to the executive council. It came as no great surprise at all that the member for St. George was elevated. Like the member for High Park-Swansea (Mr. Shymko), she deserves our collective commendation, because she undoubtedly will add a verve and panache that God knows this government can use.

I wish her well in her new responsibilities. I know some of her staff assistants, one of whom is to be found seated to the Speaker's right, underneath the press gallery. I am very confident that with such assistants, Susan Avellar Fish, as Zena Cherry reported from Beijing, will do us proud as our culture czar in Ontario.

I was struck, as I am sure the member for Bellwoods (Mr. McClellan) was, that no more than a few days after her elevation, the new Minister of Citizenship and Culture was forced to board a jetliner and travel some 8,000 miles to represent us in the people's republic. In fact, she made a cameo appearance on the national news from that distant, but no less famous, capital.

Mr. Shymko: You blazed the trail for her, Sean.

Mr. Conway: I did indeed blaze the trail for the member, but unlike many over there I paid my own way, all of it. In that respect, unlike the Premier, unlike Clare Westcott and unlike just about anybody else I seem to know over there who has travelled either the Atlantic or the Pacific in recent months—

Mr. Shymko: It's because you are on the wrong side, Sean.

Mr. Conway: For the benefit of the member for High Park-Swansea, who I understand, if I can digress further, has a passing interest in the oak-panelled splendour of the executive council—

Mr. McClellan: But in Ottawa, not here.

Mr. Conway: There is a rumour, to which the member for Bellwoods alludes in his interjec-

tion, that not unlike the Attorney General (Mr. McMurtry), the member for High Park-Swansea is finding the attraction of Ottawa perhaps irresistible. I am sure the member for Bellwoods would agree with me that it would be an extremely inviting rematch out there in High Park-Swansea to see Art Eggleton and the member for High Park-Swansea do battle again.

Interjections.

The Deputy Speaker: Order.

Mr. Conway: One never knows about the future. I do not profess to have the clairvoyance of the member for Lakeshore (Mr. Kolyn). Let me say I do wish the—

Mr. Rotenberg: You do not even know who represents your party.

Mr. Conway: I am quite aware of Jesse Fliss's involvement with the party; but we talk about the future and I profess to have no great knowledge of what the future will bring. Since the member for Wilson Heights (Mr. Rotenberg) has entered the debate, parenthetically I might encourage him to follow the very skilful lead that was struck by the member for St. George in her path to the executive council. It is known to some of us that the member for Wilson Heights has an interest as well in the executive council, and he has been here for a considerably longer time. Hope springs eternal and I wish him well in that respect.

To conclude that part of my brief remarks, I have to say that for months I used to sit over here with the member for Bellwoods and watch how, almost hourly during House sittings, the member for St. George in her preministerial incarnation used to stand annexed to that second-to-last pillar over there, latched upon John Tory's every movement and upon his left and right ear as they became available. Like his shadow—

The Deputy Speaker: Is the member going to discuss the concurrences of the estimates?

Mr. Conway: —the member for St. George stuck with it until that day in early July when the phone rang and the doors of opportunity opened before her.

There are two issues I would like to raise with the culture czar—czarina; pardon me. If you had been careful, Mr. Speaker, you would have picked up on that sexist oversight. I have two interests for the culture zarina, one of which was touched upon by my good friend the member for Niagara Falls (Mr. Kerrio). A very fine fellow he is, and I am confident he is keeping an eye on these issues.

As the minister will know, and as her predecessors the members for Ottawa West (Mr. Baetz) and Armourdale (Mr. McCaffrey) know from my ongoing discussions with them, we in small-town, rural eastern Ontario feel that a fine provincial educational service, TVOntario, is unhappily unavailable to too many of us.

Granted, I happen to live in that great eastern Ontario community known as Pembroke and, like people living in Petawawa and Renfrew, we have cable service which gives us TVOntario. But in places like Deep River and such areas as the townships of Wilberforce, Alice and Fraser, and Petawawa, to name but a few of several, where there are untold families and many younger people with a keen interest in TVOntario, it is very difficult for them to understand or for me to explain how it is that as contributors to the provincial consolidated revenue fund they cannot derive the great educational and cultural value we all know to be provided by TVOntario.

Quite frankly, I cannot get through a week-end without the offerings of Elwy Yost. It is just not proper to go to bed on Saturday night in this province any more without Elwy's—

Mr. Kolyn: You should be out with girls.

Mr. Conway: Mr. Speaker, I would hope you would restrain that Vesuvius of energy over there, the member for Lakeshore. I do not know what makes him think I would go to the movies alone, but if he knows something about my Saturday night activities that I do not, I will be happy to have the information and the source of same.

The Deputy Speaker: The member would be best to ignore the interjections.

Mr. Conway: I have a great deal of regard for the assistant government whip, and I would not want to disregard his public or private utterances.

Mr. Boudria: The member for Northumberland (Mr. Sheppard) thinks we need more towers.

Mr. Conway: My friend the member for Prescott-Russell makes the point, and I want to reiterate it in the presence of the czarina of culture, that the good member for Northumberland has pointed out the lack of service in rural, small-town eastern Ontario.

I am not worried about the big cities of Ottawa, Kingston, Belleville and Cornwall, because they are by virtue of their size able to bring the service to their residents. But for those tens of thousands of rural, small-town Ontarians who do not have that service, it is a source of ongoing irritation for them and for their mem-

bers of the assembly, whether they be Liberal or Conservative.

It is not lost on us that the New Democratic Party has yet to elect a rural representative from eastern Ontario, notwithstanding the member for Cornwall (Mr. Samis). Cornwall township is not exactly my idea of a full-service rural township, great place that it is, I must say.

Mr. Breaugh: What have you got against Sheffield township?

Mr. Conway: I do not have much knowledge of Sheffield township, to be sure, but I want to say on behalf of those thousands of people in the great heartland of the Ottawa Valley who want very much to have that service called TVOntario, to which they make contributions through their taxes, that we are not happy, as the member for Northumberland is not happy, about the delay and some of the pathetic excuses that are offered up to justify the delay.

We are confident that the minister, with her fast-track, direct line to people like John Tory and the Treasurer (Mr. Grossman), she of great insight and greater connections than any of her predecessors, will be able to right these wrongs in the cause of rural Ontario, and do it before the millennium.

4 p.m.

We in Renfrew North have waited through months and years of delay, and I tell them—because I know the minister, with her friends from places like Mississauga South, would want me to tell them—that the Ontario government, to its credit, provides through the Ontario Educational Communications Authority an excellent service. And in a bipartisan spirit I often draw that to their attention; I think it is one of the real successes of this government. Some of my colleagues who have been here a little longer might not necessarily agree with my view in its entirety, but in this respect I am a staunch supporter of TVOntario.

It does, I must say, have some idiosyncratic tendencies. For example, as I sit at home and watch TVOntario convey nightly the proceedings of the House of Commons question period I have always wondered, and I am sure my friends from Sheffield township and Oshawa wonder as well, "Isn't it strange that we get in these places?"—

Mr. Breaugh: Fellow papists, we call them.

Mr. Conway: He says, "a fellow papist." We may be in our dying days in that connection, but—

Mr. Breaugh: The papist alliance was a temporary one at best.

Mr. Conway: It took nerve over there to invite the cardinal last Wednesday night, and I suppose we ought not to have been surprised. But that is a digression.

The Deputy Speaker: You are right. It was a digression.

Mr. Conway: The member for Oshawa (Mr. Breaugh) would share with me, I am sure, a sense of surprise that we could find our Ontario Educational Communications Authority bringing us nightly the proceedings of the House of Commons question period and nothing about the Ontario Legislature other than the propaganda that sometimes might be associated with some of its advertising.

The member for Downsview (Mr. Di Santo), who is a far more expert observer on the multicultural scene than I, notes a want of multicultural programming at TVOntario. But I have always thought to myself that it would be extraordinary in rural, small-town eastern Ontario, where it is not always easy to get a good grip on what is happening and what are the burning issues here at the provincial Legislature because we are in the shadow of the national capital—and understandably that is a great focus for our region—if we could have through our provincial educational television authority the daily question period of the Ontario Legislature.

I do not lie awake expecting that to happen, because it is well known that the Ontario Conservative Party is the king of one-party democracies. The other day they were highlighting the events in Albania. Senor Hoxha has been in office for 41 years and there are not very many around like him. But there is one in this great old Upper Canada of ours; and we know, notwithstanding the democratic tendencies of the member for High Park-Swansea, that this is a Conservative Party in government—there is not a great deal of difference, as we see every day in this place—that does not want in any way any efforts expended to increase public awareness of what happens in this place.

Can you imagine, Mr. Speaker, if the people of Mississauga North could see the daily performance of the first minister on TVOntario? Might you begin to fantasize how they might change their impression of this, the elder statesman of all Ontario if they could, through TVOntario, nightly see his conduct in this question period or in this House? I dare say the good people of Mississauga South, notwith-

standing their ancient allegiance to that party, might even begin to raise questions.

This is a government, an agency, that will do nothing to focus public interest or attention on this place. Yes, the cabinet office and its weekly emanations will be of great interest and we will allow the cameras to come in and do great justice to the Premier and the Attorney General, but my gosh, all the culture czarina gets is the top of her head. That is terrible discrimination. Those cameras are representing the culture czarina as some kind of oblong mystery when in fact the Treasurer looks perfectly natural in all his blue-suited splendour.

If nothing else, I would suggest that members watch the nightly news, the cop-beat news on one of the prominent stations here in Metropolitan Toronto. At about 1:15 a.m., after they have been through a litany of rape, murder, fire, traffic accidents and what is new at the stockyards, one will get the Queen's Park report.

At about 1:15 on that particular newscast, one might just see, as I did a couple of weeks ago, the member for Mississauga South (Mr. Kennedy) asking a perfectly good and important question of his colleague the Attorney General. I hate to say this to my good and dear friend the member for Mississauga South, but I had a difficult time listening to what he was saying, although I had heard it earlier in the day, because I was seized of this incredibly bald head. That is all one got. It was a terrible image, a shot of this balding head. I do not mean to insult the member, but that is the projection.

I thought how unfair it was for him to be projected in that way when the Attorney General looked so much better with the full blue suit and the complete body shot. The poor member for Mississauga South, who raised a very good question about the administration of justice, was represented in a way that did no credit to his very distinguished bearing. I think the member would agree with me it was unfortunate that his representation could not have been as complete and as fair as his friends down the way. That is just the nature of the way this place is organized.

The culture czarina has it within her administrative competence to begin an improvement of that situation. How are the people of St. George to know of her splendid new hairdo if they do not get a better shot than they might under the current arrangements? If TVOntario was able to provide a nightly telecast of the daily question period through the good offices of the culture czarina, the member for St. George, I think she would have advanced the cause of

parliamentary democracy in this province in very short order and she would have left a legacy of which her friends in Manhattan could be very proud.

I remember all those Tories from the last campaign saying, "That Smith, you cannot have him running anything in Ontario. He is l'étranger. He is from Montreal. He is even worse." I would not repeat some of what was said. Basically, he is an outsider. He is not part of the main stream. You know, "Vote for me, I am from Main Street, Ontario." One does not necessarily spell "main" m-a-i-n, but I could get myself in trouble if I were to use the spelling that was intended by some of that campaign.

Our elegant member for St. George, the new Minister of Citizenship and Culture, a citizen of the world herself, brings to this new responsibility of hers a cosmopolitan flare that I know impressed the people in Beijing, that has convinced the people of St. George and will do much for this government from bus stops along the election trail to the great enterprises of tomorrow. I encourage her to take hold of the TVOntario issue.

Mr. McClellan: Say that again?

Mr. Conway: I remember those great bus stop ads in the last campaign. Remember the member for St. George and the Premier? The cardinal could not compete with that. He might try but not even he could compete with the élan of the member for St. George. Elected she was and electable she is, surely.

In her departmental responsibility, the minister has an opportunity to improve the fortunes of the Conservative Party in North Renfrew where, God knows, they are historic but not immediate, if one were to believe the polls.

4:10 p.m.

Even Tories come to me and say, "Tell the new minister..." I remember this summer some very good people, whose politics I do not know about but who holiday up in the Black Bay area of Petawawa township, who really expressed a great surprise that within 100 miles of the national capital itself they could not draw in the signal of TVOntario.

All joking aside, I think it is important that those of us from the rural reaches of this great province, Tory and Liberal alike, give the support to the minister that she undoubtedly will require to convince her friend the Treasurer that the cultural life and times of rural eastern Ontario and the rest of rural Ontario can and will be enhanced if more moneys are allocated.

to the expansion of the transmittal services of TVOntario.

I understand there is a split jurisdiction and the potentate of all education has under her umbrella of authority certain funds and instruments that have to be taken into account. On behalf of thousands of people in my constituency who very much admire what the government has done in providing a first-rate educational television authority, we want it now or as soon as is possible under the technology available.

In our area there does not seem to be any doubt that the preferred course of action would be the construction of a transmitter somewhere in the centre of Renfrew county, which not only has a very great population living in the townships but also has a great seasonal population cottaging in the green pine groves and along the sandy shores of places like Round and Golden Lake where our summer population is very substantial indeed.

I will watch the minister carefully, as I always do. I am one of her five-days-a-week constituents living in that Ontario Housing unit at 44 Charles Street West. Just the other day I got a marvellous brochure from the member and I sent her a note today congratulating her. She puts out one of the best constituency mailings I have seen anywhere. I say publicly what I wrote to her privately a few minutes ago, she sets a high and good example.

Mr. Boudria: I am her constituent and I did not get one.

Mr. Conway: I am sorry. My clattering friends to my left here in my own caucus just have to build better bridges to the member for St. George.

I am thinking that perhaps I ought not to open the door to this subject, but it is a matter of ongoing interest for me. That is the McMichael Canadian Collection. I was very privileged in the latter part of May to join a couple of my friends in accepting the invitation of the chairman of that board, J. Allyn Taylor, a nonpartisan from London of some seniority and standing, and to have witnessed the official opening of the reconstructed gallery.

The member for Armourdale was just at his absolute best. I have not seen him better since his Frank Drea imitation. I thought it was really incomplete that the Minister of Tourism and Recreation (Mr. Baetz) and Ward Cornell could not have been there to give a sense of history of the place. I will never ever be able to go to the gallery again without thinking of the then Minister of Culture and Recreation and his loyal

deputy Ward Cornell, whom I can never imagine without Ed Fitkin and Bill Hewett; but anyway he traded Ed Fitkin and Bill Hewett for the minister and the two of them were my introduction to the politics of the McMichael Canadian Collection.

A lot has been done out there. It is apparently quite a splendid place. Michael Bell and his staff are to be congratulated for the way in which they handled us all on that Victoria Day, or the Queen's Birthday as we say in Renfrew.

I wonder if the minister would be able in this concurrence debate to give a report on the experience of the renovated gallery over the past three or four months. For example, can she report on attendance?

This might be available in my mail somewhere; I have not seen it all. I know the gallery sent some very interesting materials to us not that long ago, but I would be interested if the minister could report, either this afternoon or to me directly at an early opportunity, on visitorship over the period of the May 24 weekend through to Thanksgiving. For example, what kind of practical experience has been gained with the new fire doors, the new fire alarms, the new water systems?

I hear from some people that there have been some bugs to iron out. Some people have suggested there have been some unanticipated difficulties; I just do not know. I am reporting a little bit of gossip to the minister and I do not mean to do so in a way that would impair the reputation of the gallery, although I have been a critic of some of what they have done up there in terms of the financial management.

I would ask the minister to avail herself of an opportunity, either during this debate or perhaps at another time in the near future with me directly, to just simply give us a report on the summer experience of the gallery and what practical developments there have been with the new systems, particularly with respect to any problems in that connection.

Mr. Speaker, you have been most indulgent and I want to resume my seat. I see I have set the member for St. David (Mrs. Scrivener) yawning. That is a signal for me or anyone else to resume one's seat. I do so now, saying what a pleasure it is to see the upwardly mobile member for St. George representing us all in matters of culture and citizenship.

Mr. Boudria: Mr. Speaker, there are just a few matters I would like to raise with the Minister of Citizenship and Culture.

One aspect involves the Wintario program. A

number of years ago it was possible, through Wintario, to obtain funds for the renovation of historical buildings. I am referring to churches. The particular case in which I am interested at this time is in the constituency of Prescott-Russell where, as in many other areas of the province, there is a large proportion of the population that is Roman Catholic.

In any case, in my own constituency the most historic buildings, and often the only historic buildings we have, are our churches. As we see, many municipalities in Prescott-Russell—

Mr. Conway: Is the McTeer household not in your riding?

Mr. Boudria: Yes, the McTeer household is in my riding. Perhaps it is considered historic for some but not for others.

Mr. Conway: I find this story exciting.

Mr. Boudria: Okay. If someone thinks it is, who am I to disagree?

Mr. Conway: I am sure Joe Clark thinks it is historic, if nothing else.

Mr. Boudria: Maybe it is a part of the history of Joe Clark.

If I can get back to this topic, the churches of my constituency are the very few historic buildings we have in many instances in the riding of Prescott-Russell. This is probably true in other areas as well.

We are approaching, in our area, the 100th anniversary of many communities in my riding and in eastern Ontario. For instance, next year is the anniversary of the town of Wendover. There will also be the anniversary of the town of Hawkesbury and the year after there are others. I can think of Casselman and so on.

One thing that most of those villages and towns have in common is the desire, the need and the want to improve the appearance of our churches in those areas. I wonder if the minister would consider making it possible to obtain Wintario grants for those purposes, because they are of course in many cases in eastern Ontario and other places the only heritage buildings and the only historic buildings that we have. We consider them very important to our culture, our religion and our ancestry. It is important for us to keep them in good shape and have them in as good a condition as possible.

4:20 p.m.

I would like to bring up another matter with the minister in the heritage area. In my constituency there is a building known as Macdonnell House. Macdonnell House is situated right on

the border of Ontario and Québec at Pointe Fortune, but on the Ontario side.

Pointe Fortune is probably the only place in this province where the postal address is in Quebec but most of the village is in Ontario. I have a number of constituents who have their addresses as Quebec but they are in my riding. Macdonnell House is in this category. It is very confusing to some of us, especially the Minister of Transportation and Communications (Mr. Snow) when what he thinks is a Quebecker tries to apply for licence plates for his car. He notices that he lives in Quebec and refuses to sell them to him; but the applicant is really a resident of Ontario.

In any case, that is another matter we could get into extensively at some time. One of those buildings that has an address in Quebec and is located in Ontario is Macdonnell House. It is an interesting structure. It was built at about the time of the Constitution Act of 1791, the year in which Ontario was founded, and for which we will be celebrating the bicentennial in 1984. It was the customs house as one entered Upper Canada from Lower Canada. It belonged to a gentleman by the name of Macdonnell. I believe we pronounced it as Macdonnell at that time, or so the local people tell me, but it is now known as Macdonnell, with the accent on the last syllable.

This structure is quite valuable. It is a large facility. About a year ago the Ontario Heritage Foundation invited me to visit the place. I took them up on the offer and found the place very interesting, but the renovations are not progressing. They have only stabilized the building and prevented the rain from entering the premises. That is about all that was done. The centre of the building is sagging towards the earth and it will be only a matter of a few years before the structure will be lost.

I know one of the difficulties the ministry is having is trying to figure out what to do with it. What does the government of Ontario do with a building that is located in Ontario but has to be entered from the Quebec side to have access to it. It is not exactly the most prominent spot in Ontario. That is probably one of the reasons the ministry has not chosen to do much with the building. It is not directly on the main highway from Ottawa to Montreal because Highway 417, the new highway, is approximately a mile from the Ottawa River at that point and, therefore, we cannot see the building from the highway.

I would venture to say it is a very important building in the history of our province. Our

province starts at exactly that point, at the western end of la seigneurie de Vaudreuil, at which we planted those monuments in the late 1780s to later establish the province of Upper Canada in 1792.

If the minister could today, or some other day by letter, inform me as to any progress, any new ventures, ideas or plans she has for Macdonnell House I would be interested in knowing them. As I say, it could be a very nice building but it is not in good condition at the present time.

I wrote to the minister's predecessor last year and invited him to visit Macdonnell House with me this summer, but before he could get around to doing that he had changed cabinet positions. Therefore, I would like to extend the same invitation to the minister when she comes to Prescott-Russell. She may want to speak to the local Tory association there or what have you, but when she does come to Prescott-Russell I would like to invite her to come and see Macdonnell House. I think she will find the building positively interesting with its location on the edge of the Ottawa River only a few feet from where the province starts and where our province was formed.

It is a very interesting location. From now until the true bicentennial of 1791 occurs in this province—if I can call that the second bicentennial; in any case, whenever the real bicentennial of 1791 occurs—it would be nice if the building was fixed up before that time. Then when we do have our second celebration of our 200th anniversary, we could have some event in that structure which we would hope to put to some use.

This brings me to another subject. This is the minister who informs us about and is in charge of our culture, our citizenship and our heritage, all those fine things. I think I would be really remiss if I did not talk about the bicentennial at this point. Mr. Speaker, I am sure you would be really disappointed if I did not, and rightfully so, because it is such an important event and it is approaching rapidly.

I have spoken about this in the past to the Minister of Citizenship and Culture and I have expressed my disagreement with the choice of year which was made. I believe it was made for purely political motives and very little else. Of course, I recognize that if the centennial of the arrival of the Loyalists was celebrated to some extent in 1884, then the bicentennial of the arrival of the Loyalists perhaps should be celebrated in 1984.

I am not sure of that. If one looks back at the

history, one will see very little in the way of concrete historic events which happened at that time, with the exception that a larger number of United Empire Loyalists moved into our area, or what was then the province of Canada, in that particular year than in other years. I would suggest there are many other years which have an important historical significance in the history of our province around that particular time.

I would remind the minister that the province we live in, or the province of Canada, really was formed by a couple of different acts and treaties, neither of which occurred in 1784. I can think of the Treaty of Paris in 1763 and the Quebec Act in 1774, which, to a certain extent, really formed this province the way we know it, recognizing the southern boundaries were different and things like that.

We all know, and I am sure the minister knows, that the Constitution Act of 1791 was signed—you guessed it, in 1791. If this is the date our Constitution Act was passed, it would seem normal that we would perceive this as being the birth year of our province. Therefore, we should be celebrating the bicentennial in 1991.

I believe the minister's government and, I am sure, the minister, being responsible for the area of citizenship and culture, and her colleagues in the social policy area who have been involved with the issue of the bicentennial, have had a few things to deal with which they had not anticipated. First, I do not think they expected any dissenters as far as the bicentennial celebration is concerned. To the great surprise of the government, it found that quite a few people really questioned the validity of the year. They also questioned some of the ways the government went about its preparation for it.

I would like to read a few names of people who sit on the Bicentennial Advisory Commission of Ontario. I will only read a few names from eastern Ontario because I do not really know all the others. I see the name of Mr. Richard Clippingdale of Ottawa. I seem to recall this particular gentleman was a candidate for the federal Tory nomination in 1974, I believe, in the riding of Ottawa West.

I see the name of Mr. Bert Lawrence of Ottawa. I am sure we all remember Mr. Bert Lawrence, a former Progressive Conservative cabinet minister of this province. I see the names of Mr. Richard Rohmer from Toronto and Mr. Gordon Smith from Orillia. I am just wondering if this is the same individual who was

a Tory MPP at one time. Then I see Mr. Rolland Saumure of Bourget. This is a very interesting name. I will explain who Mr. Rolland Saumure is, because I know members are just dying to find out.

4:30 p.m.

In 1981 my predecessor, Mr. J. Albert Belanger, was challenged for the Tory nomination by of Bourget, and Mr. Rolland Saumure lost the Tory nomination, which is understandable given many things. Mr. Saumure is now the secretary-treasurer of the Prescott-Russell Progressive Conservation Association. Mr. Saumure is also a candidate for the Tory nomination for the next provincial election and he is, of course, sitting on the Bicentennial Advisory Commission.

We are told there are no politics in this; there could not possibly be politics in the way the government is going about doing this. It is just a coincidence that they chose all these Tories we see here, nominated candidates, former MPPs, a future federal nomination hopeful and so on and so forth, to sit on the Bicentennial Advisory Commission.

Mr. McClellan: That gives it a lot of credibility.

Mr. Boudria: That is exactly the point. As the member for Bellwoods says, that gives it a lot of credibility. That is really the problem with the whole thing. It has been messed up in so many different areas that I think it has lost much of the credibility it could have had, notwithstanding the fact that it is the wrong year.

Mr. Breagh: They only missed by seven years.

Mr. Boudria: The Ottawa Citizen said in an editorial last year, "When we celebrate the bicentennial of 1984, give or take a decade, we will do such and such." I think that was quite accurate. The Honourable Margaret Birch, who was responsible for such matters, wrote me a letter, and a very nice letter it was, I think it was in June 1983, with which she sent me these little decals, I guess they are, of the bicentennial, recommending that I put them on my letterheads.

If I was to put one of these on my letterhead, I do not know which constituency I would send it in because my constituents would not take too kindly to having that on a letterhead I sent them. In any case, she recommended I put these logos on my letterheads. They say "Celebrating Together 1784-Ontario-1984."

After much of the controversy had started surrounding the date of 1984, the minister sends me another letter. On this one—would you believe it?—the logo has changed. It says,

"Celebrating Together, Fêtons ça ensemble." Is that not cute? We now have a bilingual logo for the bicentennial. Is that not nice? This bilingual logo was only adopted after much controversy. The logo is bilingual but the title of the ministry on the same sheet of paper is unilingual English, which does not surprise me. It is just typical of some of the inept ways in which those matters are dealt with by this government.

Mr. Breagh: We are celebrating a non-event in two languages. That is all.

Mr. Boudria: As the member for Oshawa says, we now have a non-event in two official languages.

I just want to discuss briefly the little pamphlet that was put together for this particular year. Some people, such as the président of Conseil des Affaires Franco-Ontariennes, M. Roger Régimbal, said: "That is no problem for us francophones. All we do is look back to another year and say, 'We are not really celebrating the bicentennial; we are celebrating the 350th anniversary of the arrival of Jacques Cartier.' That legitimizes us taking the provincial dough and celebrating the bicentennial." There was a unilingual English logo at that time, mind you, but just the same, that would legitimize francophone groups from Prescott-Russell and elsewhere using those provincial dollars.

I must say the minister has done it well again. She and her government and everyone else now has this thing fully bilingual after we have reminded them of it on repeated occasions. They are giving the municipalities all this dough, and they are going to take the money because they are all underfunded and need the money badly. The government is going to make them celebrate the year whether it is their anniversary or not because they need the money.

I do not think that is a proper use of government funds. To speak against having a party is not a big vote getter. I do not deny that. To have a party is always something one just cannot be against. It is like being against motherhood, and maybe it is a good idea to have a party in 1984. After some of the bad news we have had in this province over the last few years, we need an excuse to celebrate something or other just to cheer us up.

Mr. Kerrio: When are they going to let us know what they are celebrating?

Mr. Boudria: In fact, I do not know what they are celebrating. If they are celebrating the anniversary of the Loyalists, I think it is the wrong year, but if they think that is their

birthday, then fine, let us celebrate it. It is inaccurate to say 1984 is the birthday of Ontario. It may be that it is the Speaker's birthday. If it is, I will celebrate it with him in 1984. But it is factually inaccurate to say it is my birthday when it is his. In doing things that way, I do not think we are doing justice to any cause because it is improper.

Mr. Kolyn: Mr. Speaker, I would like to congratulate the minister on her appointment to this ministry. I think she is very sensitive to cultural issues. I wish her well in her new portfolio and I am sure she will do a tremendous job.

I have visited the McMichael Canadian Collection since it was redone and have heard nothing but praise. I certainly enjoyed my visit there, to the grounds as well as to the building.

With regard to TVOntario, I have watched it grow and have been pleased with the type of programming they have instituted over the years. Much of the credit for this is due to the leadership of Dr. Parr. Bringing in such programs as *Nova*, *Jacques Cousteau*, *The Body in Question* and a lot of educational as well as public service programs has certainly enhanced its reputation in Canada.

Speaking of Canadian cultural activities, I think TVOntario has done a lot better job than the Canadian Broadcasting Corp. I think the CBC should be looking more to the type of programming that TVOntario has been doing. I want to congratulate the minister—

Mr. Boudria: At least the CBC televises the House of Commons sometimes.

The Acting Speaker (Mr. Cousens): Order.

Mr. Boudria: He is provoking me.

Mr. Kolyn: I did not know the member was president of the CBC, but if he is, congratulations.

I want to congratulate the minister on the fact that TVOntario is looking for donations from the private sector and the public sector. Last year 10,000 people gave to TVOntario to expand its worthwhile programs. I remind all members that at present TVOntario is looking for more donors. I hope members will take the time to look at some of the programs and possibly send cheques. I know they are all interested in our Canadian culture.

4:40 p.m.

Hon. Ms. Fish: Mr. Speaker, there are a couple of comments and questions I would like to respond to, but first I would like to give sincere thanks to those who joined me in this concurrence debate this afternoon since it is the

first opportunity I have had of exchanging some views with members of the House in a general way surrounding my new responsibilities in the Ministry of Citizenship and Culture. I welcome the remarks and I give thanks to everyone who participated.

I would like to begin by going through, as best I can, the order of speakers as they rose and touch upon some of the points that were made. I begin with the concern initially voiced in this debate by the member for Niagara Falls (Mr. Kerrio) and subsequently by others on the matter of TVOntario transmitters in eastern Ontario and direct service in eastern Ontario generally.

Members will be aware that this was discussed in the estimates last May and has been discussed more recently in this House. In reviewing the need and demand on the part of TVOntario for capital dollars and the time estimate that had been given for transmitters to eastern Ontario, I was extremely concerned to realize that early in 1983, principally through the vehicle of correspondence, my predecessor had indicated a rough timetable of the summer of 1984 for construction to begin on transmitters in three principal sites, as yet unselected and unselected at that time, in eastern Ontario.

My concern was not at any program that would ensure additional transmitters in eastern Ontario—one, two or the three being proposed—nor was my concern in any way based on the consequent expansion of direct broadcast of TVOntario to residents of eastern Ontario. Those expansions are very dear to my heart and I am doing all in my power to make them happen. I am extremely proud of TVOntario, and I am aware of the educational and entertainment value that is brought through the programs of TVOntario. It is one of the few networks with which I am familiar that can make learning entertainment as well.

My concern rested simply on expectations attached to a timetable. It was with some considerable regret that I had to deal, as did my predecessor in the latter period of his position, with requests from TVOntario for capital dollars to be devoted to capital renewal. Members will be aware that TVOntario brought forward requirements for capital dollars to my predecessor, and subsequently to me, dealing with both the transmitters and what is called capital renewal.

I certainly do not feel competent, and I would be surprised if anyone in this House did, to judge the technical detail of what is required in capital

renewal or in transmitter expansion. I and, I believe, my predecessor were operating with the best advice TVOntario and its experts could provide us with. They indicated very clearly that the priority for funding should go to capital renewal this year; in fact, it should go to the tune of \$10 million spread over five years, as against \$3.7 million equally spread over several years for the transmitters.

The wish, as I understand it, from TVO to have capital renewal funds and the priority that was placed on that flowed from a very real concern that TVO had, and I believe still has, that there were changes and upgradings that had to occur in the system of a capital nature to enable it to carry on to those it currently serves and to assist it in forming the strength of base it would require to expand its service.

As I said before, I am not in a position to be able to review the technical aspects or to discuss them in the House, but I share with the members the priority that TVOntario gave to my predecessor and me, and the reasons it outlined.

It is clear that TVOntario is equally concerned about the expansion of service in eastern Ontario. Indeed, the board cited clearly that its number two priority on capital dollars would be dollars to be devoted to the transmitters in eastern Ontario. As I said, however, the board made clear that for a variety of principally technical reasons, the first dollars to be provided, in its view, must be devoted to capital renewal.

I think the members can well realize that the schedule of expenditure TVO felt was necessary on capital renewal is considerably larger than the scale that had previously been discussed with my predecessor or with me to finance the transmitters. When in a general year of constraint it became necessary to give consideration to finding \$10 million that had not previously been perused and identified for purposes of capital renewal, it was an extremely difficult chore indeed, a chore that was made virtually impossible if one had added to it the necessity of finding an additional \$3.7 million in capital dollars for the transmitters.

It was with some considerable regret that in September of this year, having spent my first couple of months vigorously searching for alternative ways and means of being able to do both the capital renewal and financing an immediate start on the transmitters, I came to the conclusion that finding the additional dollars to make possible a start on the transmitters this summer

was simply not a hope I felt I could stand behind and permit people to believe was firm.

What fell to me was the onerous chore of advising the good people of eastern Ontario who had in their mind a summer 1984 start. I wished in no way, nor do I today, to leave any impression whatsoever that I, my government or TVOntario have in any way backed off from or altered the priority we place on transmitters for eastern Ontario. I remain firmly committed to the provision of service throughout this province, and eastern Ontario is a key priority for me.

I did, however, feel it incumbent upon me to make clear that I was not sanguine about our ability to meet an earlier projected starting time of summer 1984. I have met with representatives of TVOntario and with residents throughout eastern Ontario. I have indicated to all of them, and I indicate again to this House, that my commitment to securing the transmitters is an ongoing one. I am in continuing discussions in an effort to assess our cash flow situation and to identify the dollars that would make the provision of transmitters in eastern Ontario a reality at the earliest possible opportunity.

In closing on that point, I might note that I am sensitive to the concerns raised by members who have indicated that while some 77 per cent of the 750,000 or so population in eastern Ontario can receive TVOntario signals through cable, one has to have a cable service in one's municipality for that cable service to pick up the TVOntario signal and in turn convey it through a cable system into homes.

While it is the case that nearly three quarters of the population can receive such a service through cable, it is clear that those in outlying areas or municipalities that do not have cable must rely on direct broadcast. I realize that with our existing technology one of the most obvious means of securing that signal in the homes of that 25 per cent of the people of eastern Ontario would be the construction of those transmitters.

I would caution, however, that we and TVOntario are reviewing other forms of technology as they are made available. We have had referred to us a report from our federal counterparts on direct broadcast satellites, for example, which are a form of new technology and which would perhaps obviate the traditional transmitters that have been used to date.

But I want to make very clear again and underline our commitment to doing everything possible to secure these transmitters or any substitute appropriate to reach the goal that

think we all agree upon, which is to ensure that TVOntario programming is available to all the residents of this province at the earliest possible opportunity.

4:50 p.m.

I will turn to the second point that was initially raised by the member for Niagara Falls, that being the concerns about increases in the budget for the main office for this fiscal year over the last fiscal year. This matter was discussed at quite some length, I think it is fair to say, during the estimates debate in May of this year. Of course, I was not a party to that debate, but I have availed myself of the official record.

I made it a point to explore a bit further those apparent increases and the shifts that occurred within the ministry, because I have been interested in a more general way in understanding where dollars are being spent and in assessing wherever possible increased efficiencies in the dollars that are expended. This touches on a point I will make in a few moments.

In regard to the main office budgets, I would point out that while there were increases, a number of factors contributed to those increases. One of the things that contributed, for example, was the fact that our Half-Back program was moved from an arts division into the main office. This program was supporting books and is now supporting performances in schools as well as school groups going to see performances by performing arts groups; magazine subscriptions, which was of particular concern to the magazine industry; and memberships in, for example, smaller community art galleries and museums, which are so much in need of support.

The dollars were enriched in the support being provided to be able to reach out beyond books into magazines, performing arts, galleries and museums, and the shift was only a shift principally because the skills that were involved were primarily administrative and marketing skills, working with those recipient groups to assist them in securing some marketing campaigns so we could let the public know what was happening in this program.

In certain respects in that area, at least, it was a move because we were looking at different skills on the part of the people who would administer the program and we were in the business of trying to enrich that program where the dollars are flowing out directly to the clients, if you will, of my ministry, the people who are actually in the arts and letters to whom we want to provide some support, and of course reaching

out as well to young people of this province to have an opportunity to be exposed to the arts and letters that are around them.

As well, of course, we have the special committee reviewing the role of the arts in Ontario, more commonly referred to as the Macaulay committee. That committee was struck by my predecessor and is expected to report at the close of this year or the beginning of the next. That committee is a special one-time exercise. I think it is an appropriate review at this time of the relationship between government and the arts. It is appropriate because there have now been 20 very good, very positive, very successful years of direct support to the arts in this province through a fine agency of my ministry, the Ontario Arts Council. I am particularly proud of it.

Through those years of the arts council, during which its funding was supplemented directly by my ministry and its predecessors, we have seen an incredible explosion in cultural activities in the province. I refer to the activities of theatre groups, art galleries and museums. We also have seen it in Canadian publishing, almost all of which is housed in Ontario. In fact, the predominant amount of it was developed since the review of the future of publishing in the province approximately a decade ago.

We have seen successes in the number of people who are attending those performances, making use of the museums that are instructive of our history and viewing the shows that are housed in community art galleries or are on tour.

Library use is not specifically under review by the Macaulay committee, but I would note none the less that it has expanded considerably. This has an indirect effect on the publishing industry; on the letters aspect of the arts and letters in Canada. If it is possible for people of all ages to enjoy plays, novels or nonfiction on a completely free basis through the use of their local libraries, they may in turn be interested in supporting other cultural activities. It could result, for example, in book purchases or in attendance at some of the dramatic productions of those works.

In looking back on 20 years of some real success in this area, we cannot rest on our laurels. It is not sufficient simply to point to the high spots and say: "Look at the growth. Look at the increases. Have we not done a fine job?" I believe we have, but it is necessary to take a deep breath and say: "What does this mean for the future? Are the demographics of our prov-

ince changing in a way that may mean a different demand for the arts in the future?" For example, I think we must consider how we are going to cope with the dramatic change in our economy that has occurred. How will we deal with the challenges of high technology?

Perhaps some members had occasion to visit the festivals dealing with video culture this past week or so at Harbourfront which were partially funded by the government. The challenges of high technology are leading some in our theatre groups and galleries to express concern about possible obsolescence of the various facilities we have built in the past 20 years or so. There are changing demands on the accessibility of the arts, when people have more leisure time and are prepared to make use of these facilities and enjoy them. So we must study how best to respond to that market.

If I could sum up that review in just a few short words, I think it would be to assist all of us in being able to assess the things we need to change or shift our direction and to underline the things we want very much to stay the same as we go ahead in the next couple of decades, but that review, so critical to all of us, is part and parcel of that budget.

5 p.m.

As well, as a result of several requests that had come over time from our agencies, we have been engaged specifically in working with our agencies across the province to provide them assistance on marketing and publicity. One example is the Royal Botanical Gardens in Hamilton. We responded to those requests which were made by some of our agencies. I might add that this has now spread to a number of small institutions and facilities throughout the province.

The requests were made on the assumption that it would be, from the perspective of the agency, a better expenditure of dollars to seek the advice and assistance of the ministry in undertaking limited-time or one-time promotion efforts than it would be for that agency to purchase the service either on a normally more expensive fee-for-service basis or, as the alternative, to take someone on staff who would not be needed beyond the duration of the exercise of perhaps changing a program or mounting a public information exercise.

I would note that had some of our agencies gone that route of directly expanding rather than coming to the ministry with a request for help, it is quite likely we would have been asked as a ministry providing upgrading support to

enrich our operating support so as to fund such activities, which in turn are designed for the dual purpose, first, of ensuring a larger audience and getting information out to the public about what the agencies are doing, encouraging them to come in and then, second, from that larger audience looking to increases in donations, memberships, admissions or whatever might be the appropriate vehicle for more specific localized revenue fund-raising.

If we then were faced with a situation of having to finance that kind of activity, through the operating grants for example, we would likely be in a situation where the actual dollars expended would be far higher than developing, as we have tried to do within the ministry, a smaller group of people who have this expertise and who are able to work in a specific way for a specific and limited period of time with many of our agencies, particularly smaller institutions and facilities located around the province.

I realize at first glance that might appear to be an increase and a shift. However, its focus was not a focus on the head office of the ministry. In fact, it was a focus of service to reach out into the community and to provide assistance based on, and I reiterate this, a pattern of requests that had come in over time from several of our agencies and from smaller facilities that felt that improved public information programs, publicity, brochures or whatever it might be, would enhance their ability to reach the people they wanted to reach to encourage them to come and make use of the facilities. We were pleased to be able to provide that assistance.

I should also note that we are making a concerted effort to ensure that information about the programs of the ministry and the work of the agencies of the ministry and those funded by the ministry are known not only through the mainstream media, but as well through small weeklies out and about throughout Ontario, and the non-English, non-French press and media. Providing information that is readily usable by those media is something that is more costly.

We are prepared to bear that cost and are doing so within our main office budget. We are committed to ensuring that the best information possible will be reached by people who, for instance, read only Italian; that our information on our ministry and its agencies will be understood by them and is reachable to them in Italian; likewise with Chinese, likewise with a variety of other languages too numerous to review.

Our goal is to extend our non-English and

non-French information just as far as we can and to provide assistance to ensure that we are reaching out to that community which might otherwise be unaware, not only of the programs of the ministry but, more specifically—and I do not say it is particular to my ministry but it is especially the case with my ministry—unaware of the programs of the agencies.

A very large proportion of my budget—I would estimate close to 90 per cent—is in transfer payments: payments that are made to art galleries, museums, art service organizations, libraries, community groups, cultural centres and so forth. This money is not directly expended by the staff of my ministry but put out into the community by agencies that have their separate roots in the community, their separate boards of directors and so forth.

We are extremely concerned, interested and committed to ensuring that the very solid work done by those agencies and facilities out there in the community is known and understood by the community in which they sit and the larger community of Ontario as a whole, so that we can assist them as much as possible in enlarging their nets, if you will, of public awareness and thereby public utilization of those several facilities.

I think that reaching out into the non-English and non-French media is one terribly important aspect of doing that. I stand proud on the expenditures that we would want to make in that area and I would hope that all members of this House would support that effort.

Second, reaching out into those areas which may be served through weeklies, for example, rather than the daily papers found in the major centres is, I think, equally important.

Members would be amazed at the number of art galleries and community museums, in particular, that are located around this province. Many are in small communities of a couple of hundred people or more and many in communities where dailies are generally not available.

Those are some of the reasons for the increase in main office funding. I think they are extremely worthwhile activities. Obviously, at this point in the year I will be reviewing all of the questions of estimates and expenditures as I prepare for my estimates in the next fiscal year and I can pursue some of those discussions with the members at that time.

Let me turn to the remarks of the member for Oakwood (Mr. Grande).

Mr. Grande: That is a good idea.

Hon. Ms. Fish: That is right.

I will comment on just a couple of things. One

concern the member flagged was on the use of the Half-Back program and the encouragement of school children to use Wintario tickets so as to make use of the Half-Back program. He expressed some concern about whether that was appropriate in the schools.

I guess my preliminary thoughts on that would be that clearly such activity should be, and I believe is, monitored as to community appropriateness by the local school boards, principals and teachers whose classes are participating in the activity, and I think this monitoring would be appropriate should there be an expressed view that there was some difficulty in the community.

5:10 p.m.

However, I must say that in the four months and one day I have been minister I have not heard people issuing complaints about the Half-Back program, particularly for school children. Perhaps it is because they have not yet been in touch with me. But I noted the member's remarks and will certainly keep my eyes open.

I would say, however, that the programs to date, if participation is anything to go by—and I think it has to be one of the measures—have been extremely successful. We have been very pleased indeed with the numbers of school children who have been exposed to the performing arts theatre groups, to concerts they had not been to previously; with the numbers of young people outside the schools individually who took advantage of the Half-Back book program last fall; and with the numbers of young people who are taking advantage of the Half-Back magazine subscription program. The 40-odd magazines that are in this program, I might note, include several that are educationally oriented magazines specifically targeted at children.

My interest would be in doing everything possible to assist our young people in broadening their horizons in the field of arts and letters, and if we have a program that can help do that I am very pleased that it does.

Let me turn briefly to the Royal Ontario Museum. The member expressed some concerns about some revenue losses on special exhibits and the areas of the gallery that are open. The member is quite correct. The gallery display area of the ROM that is now available to the public is 20 per cent. That will grow to approximately 33 per cent in December of this year.

I might add that there is a steady move in the opening of the galleries. We are looking in 1984 to having 44 per cent open, in 1985 to having 62

per cent and so forth. By the time the total renovation is finished, of course, the percentage will be 100 per cent, but that will equal 140 per cent of the old space that had been available before the closing and renovation.

We are proceeding steadily, but we and the museum board have been faced with a couple of things. There have been some very considerable increases beyond the initial estimates in the late 1970s of the cost of gallery development and renovation, and that in itself has necessitated some careful moving through each of the stages of renovation and openings so that we are not in a position of facing fairly serious costs that have not been reasonably planned for with respect to the availability of support dollars.

It is true that *In Search of Alexander* and the Tower of London were down in their anticipated revenue from the operating costs. This is something that, it would be fair to say, the board of the Royal Ontario Museum certainly did not anticipate, nor did we. In planning such things, one does everything possible to assess the market for such exhibits—the market being the public—and estimates accordingly the dollars that are needed.

The reasons for some of the attendance decline have been thought perhaps to be seasonal problems. Other concerns have been other aspects of the displays. I think the key point I would share with the member is that my ministry and I are very concerned indeed about the general question of attendance at all our agencies, both in general in the regular attendance and in particular in the special exhibits and special shows.

My officials have initiated a review and discussion not only with the Royal Ontario Museum but also with our other agencies to try to assess where the problems are, to try to point us in the proper direction for the future, to make whatever changes are necessary. I am not in a position to report on the results of the review at this time, but I am concerned and I think it behooves all of us to re-examine what has been happening in the patterns of use and to try to assess where we go in future.

I think all of us not only want to ensure that general and special exhibits are not running at a deficit, but also, if part of this reflects any attendance that might perhaps not be what we would like to see, I think we have to look at this. The point of having these facilities is to make them accessible to people and then, in turn, have people come in, enjoy them, view them and learn from them.

A similar point might be made in regard to the reference to the McMichael gallery. The attendance figures—I do not have an exact figure, and I am sure the interested member may wish to pursue this matter with me outside the House as he indicated—are about 200,000 or so attending McMichael in 1983, which was a short year because, as the member quite rightly noted, we had a very lovely and I think very successful reopening of that wonderful gallery on Victoria Day weekend in May of this year. The projected attendance target for 1984, in a full year of operation, is about 310,000. We estimate we are well on the way to achieving the attendance we had sought. But all our agencies, as I said before, will be part and parcel of the review of where we are.

Some questions were raised about the new systems at the McMichael gallery. I would simply say the new systems that are there are principally life-preserving and safety systems that are currently being monitored very carefully indeed. I do not think it is necessary to review for members of this House all the problems and the lack of fairly fundamental life-preserving and safety systems at the McMichael gallery. Suffice it to say the new systems are considerable. We and the gallery board take very seriously the mandate to provide the proper preservative environment for the beautiful works of art that are housed in the gallery and, of course, to ensure adequate safety for any visitor attending the gallery.

A rule of thumb that has been shared with me and I share it with the House, is that normally when there are such extensive changes to systems it takes about six months to shake them down. They are monitored and tested on a regular basis. It would appear thus far that everything is working properly, but the monitoring does continue. I felt it appropriate to share this with the member.

5:20 p.m.

I will move to some of the comments of the member for Prescott-Russell (Mr. Boudria) and comment briefly on his suggestion that Wintario be made available for the restoration of churches. I have no doubt that the member is aware that churches are eligible for Wintario capital support when the facility to be restored or renovated can be demonstrated to be a cultural or community facility. This particular requirement is simply to try to bring some evenhandedness to the judgement of a variety of community activities that would draw upon Wintario funds and a variety of heritage activities as well. I should

add, however, that the Ontario Heritage Foundation, an agency of my ministry, does provide support for some heritage renovation to churches if the churches in question meet the necessary criteria as appropriate.

Let me turn to Macdonell House. The member for Prescott-Russell discussed his concerns on that at some length. I am aware that my predecessor has written to him on a couple of occasions about this. Let me just share a couple of additional pieces of information on this with members of the House.

Macdonell House is indeed an Ontario Heritage Foundation property. It was acquired in 1978. It is a unique and extraordinary old home, some 8,100 square feet in size—quite an extraordinary size—and it was built in approximately 1810. Unfortunately, the house was under the control, if you will, of Hydro-Québec for some considerable period of time.

When the house was acquired by the heritage foundation it had been left for nearly 30 years open to the weather, open to vandals who had ripped out fireplaces, stairwells and panelling, and was vacant and unheated. The damage to that structure was shocking and extensive. It has taken some \$35,000 simply to stabilize the structure. I think we should know what that means; it means just boarding it and keeping it safe from the weather.

We estimate at the present time that restoration—and we are not exactly sure of this because we are still engaged in extensive study of the house—would cost close to \$1 million. It is our view, and I believe the member is aware of this, that we are concerned about finding such a large amount of money for restoration unless an adequate use can be found for Macdonell House once it is restored. My predecessor invited the member to be in touch with suggestions about future use for the house, and I reiterate that invitation.

Finally, on the matter of the bicentennial, which was referred to, and on the matter of my "world citizenship"—I think that was the phrase used by one of the honourable members—let me simply say that I am extremely proud to be a Canadian by choice, to have been one of those who took advantage of the generosity, the tolerance, the open arms and the open hearts of the good people of this province who had the benefit of being born here or who, having chosen this great land, chose it some years before my coming.

I am proud to have put my roots down and to represent the great people of St. George in this

Legislature. I am equally proud to celebrate, as I will next year, 200 years of open arms and open hearts in this province, permitting newcomers from all around the world to choose this, Ontario, as the place they will put down roots, the place they will live and work and raise their children.

I believe it is a place where its heritage, part of which I am responsible for, and where its culture and traditions are made richer through the intertwining of the cultures and traditions of others, like myself, who have had the privilege of being welcomed to this great land. I am very proud to be able to celebrate an extraordinary history of 200 years of openness, of tolerance and of building a better Ontario.

I would move concurrence in my estimates.

Resolution concurred in.

CONCURRENCE IN SUPPLY, OFFICE OF THE ASSEMBLY

(concluded)

Mr. Stokes: Mr. Speaker, when we last had this item before the Legislature I was attempting to indicate to the House that we had to bring some relevance to that entity known as the Office of the Assembly. My remarks were intended for the benefit of the chair and more particularly for the benefit of members of the Board of Internal Economy.

We are in a very strange situation inasmuch as the Office of the Assembly is responsible for the expenditure of approximately \$30 million. The Office of the Ombudsman reports to the assembly through the Speaker, as does the Office of the Provincial Auditor, along with the chief election officer and the Commission on Election Contributions and Expenses. Yet this assembly has nothing at all to do with the appointment of the Clerk of the House or the Ombudsman or the chief election officer or the chairman of the Commission on Election Contributions and Expenses.

Every year we go through this exercise of justifying the moneys required for the Office of the Assembly. This includes indemnities to members of the House, support staff, research facilities, the library and the administrative offices of the Office of the Assembly. Yet we have never felt it important enough to devise a mechanism whereby we could have a free exchange as to the kind of environment and the kind of facilities we should have to equip ourselves in the carrying out of our responsibilities to the population for Ontario.

5:30 p.m.

There is the very fact I am standing here now engaged in a motion for concurrence of the funds required to operate the Office of the Assembly and there is nobody here, including the Speaker, who has the authority to get up and respond, even though the Speaker is the chief presiding officer, the chairman of the Board of Internal Economy and the person through whom all the agencies associated with the Office of the Assembly report to us. There is nobody to respond to anything I might say, however relevant it might be. There is literally nobody to respond.

When I first began these remarks a week ago last Friday, I asked the question as to which minister was carrying these estimates through the House, that is, the motion for concurrence. There was some indication the government House leader might deign to respond if he were provoked enough, I suppose, but he is not even here. Obviously, he did not know this item was coming up. I do not know, even if he were here, whether it would have been appropriate for him to respond. As fair as that gentleman is and as objective as I think he is, he is really not the person who should respond to a debate of this nature.

We have several committee chairmen here who, I am sure, from time to time in the carrying out of their responsibilities and upon quiet reflection would tell the members there has to be a better way for us to manage the administrative affairs of the Office of the Assembly. I think everybody in this assembly would agree there has to be a better way for us to make the best use of our time in the Office of the Assembly.

Some might argue that sitting here listening to me is not the best use of time, but after having spent all day out at the research facilities of the Minister of Natural Resources (Mr. Pope) at Maple, I learned that if I were here at five o'clock I would be speaking to this very point. If I were not here, apparently the member for Mississauga South (Mr. Kennedy) was going to be resurrected. He reminded me here a few moments ago that he adjourned the budget debate last June and, as a filler, they were going to call on him if I were not here to do what I am doing right now.

I am sure even the committee chairmen who are here and who are responsible for the carrying on of the business of committees, which are an extension of this assembly, from time to time reflect and say, "There has to be a better way." There is never an opportunity, though, for us to get serious about changing the way in which we do things to make them better so that we make

better use of our time, make better use of the resources available to us and perhaps bring this whole process under the control of the assembly through the Office of the Speaker. We know that is not the case now. The Speaker does not have control of this building. The Speaker should, as the Speaker does in a lot of other jurisdictions, control the Legislative Building. He does not do that because it has never been traditional that he should do it.

There is the way in which we appoint our table officers, especially the Clerk, the chief administrative officer, the chief librarian and the director of research services. They are all appointed by order in council. Is it because we do not have the wit or the will to do it ourselves, or is it because it has never been done that way?

I think that collectively we are competent to make those decisions. But even more important, I think we should be charged with the responsibility because parliamentary democracy is a lot more than a collection of 125 members coming here with set pieces on the throne debate, which has to be wound up in eight days before the budget can be brought in. Then there are a few budget speeches. Then the government brings in its legislative program and then, by some process of osmosis, the House leaders get their heads together and say: "We hope we will be doing this for the next week and that we can be flexible enough so that if something else happens we will be in a position to look after it."

I think it is a heck of a way to run a store. When the member for Mississauga South came over to me about 15 minutes ago, he said, "I understand you are going to speak in the budget debate this afternoon." I said: "No, not that I am aware of. But I was alerted to the fact that about five o'clock they might resurrect the motion for concurrence in the estimates of the Office of the Assembly."

Our whip is here and the House leader for the Liberal Party just moved in. I was wondering what would happen if I were to sit down right now at this moment, just sit down. I do not know whether any other member of the assembly wants to speak to this motion, but let us assume for a moment I sat down and no one else was interested. The Speaker would put the question and that would be the end of it. What would we do from now until six o'clock?

Mr. Nixon: Go for supper.

Mr. Stokes: What would we do?

Mr. Nixon: There is no rule that says we have to sit until six o'clock.

Mr. Stokes: We get paid.

Mr. Gillies: Sit down and see what happens.

The Deputy Speaker: Order. The member for Lake Nipigon has the floor.

Mr. Stokes: The point I am trying to make is that it is a heck of a way to run a store.

Mr. Nixon: Railroad.

Mr. Stokes: I know of some railroads that operate that way, but not the one I was associated with.

5:40 p.m.

I think the whole democratic process is serious enough that we should be devoting more time to it. Parliamentary democracy means a lot more to me personally than the attention we pay to it and the way we order our affairs. On the international scene, we saw what happened in Grenada recently. We know what happened in Ghana and in many jurisdictions in Central and South America. Those things did not happen by accident. They happened because of indifference, complacency and lack of interest in what parliamentary democracy is all about.

I am not saying we are on the verge of that kind of scenario in Ontario, but if one looks at all the jurisdictions in the world and counts them, which I have taken the trouble to do, there are about 16 countries on the face of the earth where, if I had to leave Canada for some strange reason and if I were looking for some place to take up roots, I might be reasonably satisfied I would be able to continue with the same sense of values we take for granted in this jurisdiction. That is not very many when one looks at the membership of the United Nations or of the Commonwealth Parliamentary Association.

We have been particularly blessed because people who have gone before us have set up a model we have been able to build on. But if we continue with a laissez-faire attitude towards this place, whatever it means to us as elected members and whether we individually or collectively feel we are making the best use of our time and talents here in the best interests of the 8.5 million people who sent us here, we would come to the conclusion that we could be much more vigilant and we could make better use of our time.

Yet who talks about it? Who even thinks about it? We are all busy doing our individual thing. I am not saying we are wasting our time,

but I will guarantee we are not making the best use of our time in terms of what we could be doing to restore the image of parliament, the democratic process and generally the image that people out there have of us.

I have heard of late, when people are asked the question, "Where would you rate politicians in the overall scheme of things, when it comes to doctors, lawyers or used car salesmen?" that we do not fare very well. It is not because we are evil, because we are not hardworking or because we came here to feather our own nests. We came here, I like to think, because we thought we could improve upon things. But that is not the image people out there have of us. I get a lot of people talking about that from time to time, and they always add the little codicil: "But we don't mean you. We are talking about the process and about politicians in general. They wouldn't even give us the time of day."

That bothers me, and I am sure upon reflection it bothers other members. What did we do by a sin of either omission or commission to get that kind of reputation? Was it a Watergate? Was it some minor indiscretion or a collection of minor indiscretions? Maybe a tax dodge or somebody who got a little bit overzealous in feathering his own nest as a result of some influence he was able to exert on some friends down here? I do not think it is any of those things. I think it is because they do not understand the process.

I get calls from people who have problems with a variety of departments at the federal level; I am sure all members do too. I get calls from people who are having problems with a municipality. I get calls from people who are having problems with an insurance company. I am sure members experience that every day. But if we ask the average person out there what the responsibility of their member of the Legislative Assembly is, in specific terms they would not be able to tell us. They say, "We elected him." It does not matter whether they have a problem with the dog catcher; if you are accessible and they know how to get in touch with you, they are going to call you.

That is not all bad, except when the head of the history department in a high school in my riding stops me when I am going into the post office and says, "Hi, Jack, how are things in Ottawa?" He is responsible for forming the minds and hearts of the young people in our education system and he does not even know that I am the MPP, the MLA, and that from time to time I come down here to do what I am doing

now. He would not be expected to know that; he is only the head of the history department.

Let me give another example. I had a school group down, and these groups come down every year. I get between 20 and 25 groups down, and they have chaperones. After these chaperones have come for three or four years they do not want the usual tour. They are very interested and very gung-ho the first time or two, but after that they would rather go and have a cup of coffee some place. I know them personally; so I say, "Would you care to join the students and listen in on the tour, or would you like to have a cup of coffee and a place to rest?" "Oh yes, coffee by all means."

On one such occasion we were sitting down having a cup of coffee, and one of the teachers said, "I guess you are very busy now." I said, "I always find something to do, but no busier than usual." "But there is an election coming up." I said, "No election is coming up." "Oh yes, there is an election over in Ottawa. Don't you know that?" "Oh yes," I said, "but it is business as usual here."

"Aren't you running?" I said: "No, I am not running. I am your provincial member." "But there is an election coming up. Why wouldn't you be involved?" I said: "Because it is a federal election and I am your provincial member. We just had an election on such and such a date and we will most likely have one on such and such a date." "So you are not running?" "No, I am not running." "Does that mean you won't be our member any longer?"

One wonders how many different ways one has to explain the proper jurisdiction to a school teacher. It may be a fault of the educational system, but part of it might be our fault.

5:50 p.m.

I am sure if other members wanted to take the time, they could get up and relate stories like that. Perhaps they think it is a waste of time. I do not think it is a waste of time, because I care about this place, how we spend our time and whether we make the best use of the human, physical and financial resources we are responsible for managing within these estimates. I do not think we do a very good job of it.

What we are talking about here hits at the heart of parliamentary democracy. When I see the way in which we order our affairs with the administration of the Office of the Assembly—this is not to take umbrage at any of the people who do the work or with anybody sitting at that table there. I think they do a marvellous job under trying circumstances. They have to be

very flexible. They have to be ready for anything and they usually are. It is the way we run our system.

I am going to sit down in about two minutes and no one will get up to say: "Stokes, you are wrong. The whole meaning of this place completely escapes you. I don't know where you are coming from, but everything is fine and dandy." Everything is not fine and dandy. If we do not take this place seriously and what we do seriously, we do not deserve what we have, let alone improving and building on what we have. Parliamentary democracy is not perfect. It has a lot of warts and imperfections but, to coin a corny phrase, "It sure beats by a country mile whatever comes in second place."

If we do not appreciate the system we have here, if we do not continue to improve upon it and if we continue to take it for granted as we have for far too long, we are in danger of losing it. If we do not spend some time to think and talk about the things I have tried to bring to the attention of the assembly, I think we do so at our own peril.

Mr. Gillies: Mr. Speaker, I see we have very few minutes remaining until six o'clock. I was so provoked by some of the remarks of the honourable member that I thought I would take the floor for a few moments and consider some of the things he said. For one, I am not going to stand and say, "You are wrong, Stokes." I think a lot of what the honourable member has said has a lot of validity.

It troubles me, as I am sure it does many members of the assembly, particularly when we go to schools, or have school groups come here, and speak to them and their teachers about what we are doing, how we got here, who the major players are and so on. It does point to what has struck me as a lack of knowledge on the part of our citizens of their own political culture, which I think is a dangerous trend.

I was not born in this country. I spent the first number of years of my life in England. My perception from my visits back to the country of my birth, and it is just a perception, is that the average citizen of Britain has a better idea about what his government is doing, how it impacts on his life and the people who are involved than does the average citizen of our own country.

I am sure we have all experienced it. When I have groups of students visit the assembly, I make a practice of asking them some questions right off the bat. I usually ask them exactly what is a member of the Legislature and how do we

get here. I get some very interesting replies to that query.

The responses to even the very basic questions, as the member alluded to, are disappointing. If you get a group of 30 or 35 students down on the steps here and ask them who is the Premier of Ontario, a couple of hands will go up and somebody will get it right that the Premier is the Honourable William Davis. Being a great believer in fairness and equal time on these occasions, I also ask them who is the Leader of the Opposition and who is the leader of the New Democratic Party.

As an elected official of this province, I find the responses very disappointing. There are a lot of young people who do not know the names of the leaders of their three provincial political parties. They will give responses varying from Pierre Elliott Trudeau to Ed Broadbent to Bill Bennett to Ed Schreyer, apparently depending on who has had a lot of media coverage at the time.

Mr. Bradley: That is because the government will not allow television in the Legislature.

Mr. Gillies: I can see the member for St. Catharines is raising a point of relevance to the previous concurrence. I will not venture to comment on it at this time.

I do think there are some problems. I am not convinced all these problems can be solved solely by actions on the part of the Legislative Assembly or the government. I think some of these problems arise out of the media perception of the Legislature and the Ontario government.

We have heard many times from people who follow this place and what we are about that the Metropolitan Toronto media, in particular, are far more interested in Ottawa. They pay much more attention to the activities of the federal government and the municipal governments than they do to the government that has its capital here in Toronto.

Mr. Conway: It is a lamentation.

Mr. Gillies: A lamentation, perhaps; but I think it is something we would well spend more time addressing, as the member for Lake Nipigon (Mr. Stokes) indicated. It might not fall strictly within the bounds of this concurrence, but I think we have to look very seriously at changing the way we do some things around here.

There was a review of the structures and activities of the federal Parliament, some of which have been adopted in the last year or so. I hear from people I know on Parliament Hill that

some are working extremely well and some are not. None the less, I think it would be a worthwhile exercise.

We only have to look around now—and I am pointing the finger at no particular party; the situation is that I am speaking to a handful of members primarily for the benefit of an electronic record. What we are engaged in here, to the average—

Mr. Nixon: The honourable member has to speak until six o'clock; that is why.

Mr. Gillies: To be precise, 5:59 p.m.

We are engaged in a lot of things, but one has to wonder what is the relevance of this exercise to the people back home, for instance, unless we act on it. We can talk as much as we like in this place but it has no relevance unless it is acted upon.

We can talk about night sessions: should we have them or not; are they productive or not? I certainly have my own views about the productivity of night sessions in this place.

We can talk about the committee structure and we can talk about the ludicrous exercise we go through when a division is called. All the business of the legislative committees grinds to a halt for a prolonged period while three people charged with that matter run around for hours trying to find the members for a vote. In the meantime, the work of two or three legislative committees can come to a halt for hours, resulting in inconvenience to witnesses who may have come here to make presentations and so on. Yet on we go. There are any number of other points.

I agree with the honourable member that we should be talking about it more. I have sat on panels, as I know the member for Renfrew North (Mr. Conway) and other members have, and made presentations on this very subject to interested groups inside and outside the government.

While I am more than happy to agree in and concur to this particular vote so that the officers and the servants of this assembly can continue their vital work, I suggest the thoughts put forward by a couple of members in this brief debate are valid. We can talk about the assembly and what we would do to improve it, but all that talk is for naught unless we act on it, and it is certainly our duty as a Legislature to do so at some point.

Resolution concurred in.

The House adjourned at 6 p.m.

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Afternoon Sitting

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Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday, November 8, 1983

The House met at 2 p.m.

Prayers.

RELEASE OF INFORMATION

Mr. Nixon: Mr. Speaker, on a point of privilege, as I see the Treasurer (Mr. Grossman) just entering the chamber: Would you not agree with me that the privileges of the 124 members of this House have been infringed upon in that the Treasurer has seen fit to release details of the program he is presumably going to read to the House? He has released at least some of the significant details to selected favourites of his representing the dailies in the city of Toronto.

This program is of great importance to citizens right across the province. It has been delayed at least once while he and his colleagues have been attempting to make up their minds what to do with it; but then to read about it in some detail in the press of the city of Toronto before he makes his much-heralded statement, I consider an infringement on my privileges and on the privileges of the other members of the House, with the exception of the Treasurer who probably, as of this morning, knows what he is doing for today. Does it not even concern him that he is now known as Leaky Larry across the province?

Hon. Mr. Grossman: Mr. Speaker, as my colleague will learn when he reads the statement in a moment, the details this morning were not totally accurate. There are elements of this statement that I would guess might have been even more noteworthy, had there been any leaks in point of fact. The information that, unfortunately, got out is significantly dated. I want to assure all members of this House that absolutely no information was forwarded by anyone with or without our knowledge, implicitly or explicitly given in any way whatsoever. The members will see that when they hear the statement.

Mr. Speaker: Having listened very carefully and attentively, I must point out it is not a matter of privilege. It may be a matter of courtesy, but not of privilege.

[Later]

Mr. Nixon: On a point of order, Mr. Speaker:

Further to the point I raised before the minister's statement, I am sure you will agree that the details of the statement are precisely as we read in the Claire Hoy column in the Toronto Sun and in the Rosemary Speirs et al article in the Globe and Mail. How is it that the minister assured us before he began that those details were incorrect?

Naturally, we must accept his assurance that he was not responsible for the early distribution of the matter. We will agree that the full statement was not distributed, although the news reports are that the doctors would be included and that in any range of employment it would be possible that the percentages would be above or below five per cent.

Would he not think that there is a serious leak in his own ministry and that perhaps he should investigate it? Either that or he should send out the statement to all the provincial dailies, because I can tell him the Brantford Expositor is upset about this. The minister was clearly not in possession of all the facts when he assured the House that the material was not presented to the press early, if not by him then by his many officials gathered under the gallery.

Mr. Speaker: I must point out to the member for Brant-Oxford-Norfolk that it is hardly a point of order. It is hardly up to me to make a judgement—

Mr. Nixon: Who is going to protect us if you do not?

Mr. Speaker: I think you made the point very well, and the minister will take into consideration the very remarks you have made; there is no doubt about that.

STATEMENT BY THE MINISTRY

INFLATION RESTRAINT LEGISLATION

Hon. Mr. Grossman: Mr. Speaker, on October 11 I reported to the House that our government had approved a proposal to introduce legislation continuing for one year our public sector wage restraint and administered price effects.

I now wish to report to the House on the steps we will take this year in our continuing efforts to fight inflationary pressures in the Ontario econ-

omy. These measures have been developed after extensive discussions with individuals and organizations representing both labour and management. We are grateful for their valuable advice and counsel. Many suggestions have been incorporated in the steps I will announce shortly. Before doing so, however, we should note the positive results of the public sector wage and price restraint program over the past year.

There is no question that our government's action last fall contributed to both the dramatic decline in inflation and the economic recovery now under way. This has given us the flexibility to invest in strengthening the recovery by addressing major issues such as new job creation. For this we should all be grateful to my predecessor, the now Minister of Industry and Trade (Mr. F. S. Miller), whose commitment and dedication guided the development of that very successful program.

The government's decision to introduce the inflation restraint program last year was a difficult one, but it was necessary. Canada was in the midst of the longest and most intractable recession in our post-war history. Layoffs and bankruptcies were tragically commonplace. High interest rates stalled business investment and stifled consumer spending. People were losing their jobs, their farms and their businesses.

Yet, despite the federal government's rigid pursuit of tight monetary policy, the Canadian rate of inflation remained at double-digit levels, as did wage settlements in the private and public sectors. Further, the gap between Canadian and US wage and price performance was increasing. In other words, our wage and price trends were contributing to further economic deterioration. In the private sector, pay freezes, or cuts in some cases, became the norm for those who remained employed, and too many suffered the hardship of unemployment.

Faced with the alternative of having more people out of work because local school boards, hospitals or governments themselves could not afford high settlements for all, we felt it was better to have public sector employees remain employed but share a moderate pay increase.

This then was the scenario that precipitated our legislation. Accordingly, we took a decisive step towards fighting inflation and restoring confidence in Ontario's economy. The inflation restraint program contributed to the fight against inflation in three ways.

First, the program demonstrated leadership to the private sector. It signalled our commit-

ment to lower wage settlements and reinforced the downward trend in private sector wage increases. Second, it helped control the cost of government by limiting increases in public sector spending, increases that are ultimately passed on to taxpayers and consumers in the form of higher taxes, user fees and charges for government services. Third, the program helped reduce government demands on capital markets, thereby easing the pressure on interest rates.

It is now quite clear that the inflation restraint program, combined with federal government initiatives, has made a significant contribution to the economic recovery now taking place.

Our inflation rate has diminished dramatically over the past year. The latest year-over-year inflation rate was five per cent, the lowest in more than a decade. Public sector wage settlements in Ontario increased by 5.9 per cent in the second quarter of 1983, down considerably from their 12.7 per cent level one year earlier. This moderation in the public sector was important to reinforce and support similar trends in the private sector.

2:10 p.m.

We now have 169,000 more jobs in Ontario than we had in November of last year. This is a direct result of the more secure environment, which has helped to restore consumer spending and investor confidence.

Now is not the time to retrench or become complacent. There is evidence to suggest that inflationary expectations may again be on the rise. If that is indeed the case, if rapid inflation recurs, the jobs that have been created, and many more, would be at risk. We could lose all we have regained.

But recovery cannot be based solely on public sector wage restraint. Our program has played an important role in helping the private sector, both management and labour, make the difficult transition to a more cost-competitive, low-inflation environment. However, in the longer term, if the private sector is not prepared, able and willing to exercise continued restraint and control, if for no other reason than to protect its own jobs and investments, then our society and economy will have far-reaching problems indeed.

As a government we are prepared to meet our obligation by establishing reasonable and responsible levels for public sector wage and price increases. The burden of restraint should not be carried by the public sector alone. The high quality of government services that the citizens of this province have come to expect is a

measure of the high standards and professionalism of public sector employees in Ontario. They have made a major contribution to the wellbeing of our province and its citizens. Their loyalty and their excellence are unmatched.

The private sector, both management and labour, must now meet its obligations by setting and making realistic wage agreements, agreements that show a commitment to maintaining international competitiveness, improving the health of balance sheets and protecting and generating employment.

In both the private and public sectors, wage and salary leadership must begin with the leaders. Senior corporate managers cannot expect their employees to accept noninflationary wage settlements unless they themselves set an example by keeping their own salaries within acceptable limits. Elected officials, including this assembly, should do the same. In this regard, I would like to request that the Board of Internal Economy review its decision on living allowances in light of the program being announced today.

[Applause]

Interjections.

Hon. Mr. Grossman: You had better start to applaud.

Mr. Speaker: Order.

Hon. Mr. Grossman: Let the record show that no Liberals applauded.

Mr. Speaker: Order.

Mr. Conway: Old Concorde Grossman himself. Travel the world on superliners.

Hon. Mr. Grossman: Sean, before you get nervous you should talk to your House leader. Trust me. Talk to your House leader before you say something else you will regret later.

Mr. Conway: Concorde Grossman. You ought to talk about any of us.

Hon. Mr. Grossman: Sean—you explain, my party is quite clear on the issue.

Mr. Speaker: Order, please.

Interjections.

Mr. Speaker: Now, everybody having made these observations, the Treasurer will continue, please.

Hon. Mr. Grossman: In cases where there are previously voted salary increases or indemnities, such as those involving some school trustees, they, too, ought to use the mechanisms they have in place to bring these increases back within the appropriate range.

Further, firms that are either insulated from normal competition or protected by tariffs have a special obligation to avoid the temptation to pass the buck of easy and expedient settlements on to the rest of the economy. If we have learned anything from the recent economic recession, it is that backing away from our restraint commitment would be the ultimate abdication of responsibility. We will not abdicate that responsibility. We will continue our course of public sector wage and price restraint for one more year.

While collective bargaining will be restored, we will ensure the continuation of restraint by placing clear limits on funding for all public sector wage increases during the coming year. Our grants and transfers to municipalities, school boards, universities and other publicly funded institutions, as well as allocations for our own civil servants, will provide for average compensation increases of up to five per cent for a group.

Mr. Nixon: That is what Claire Hoy said.

Hon. Mr. Grossman: No, he did not.

In addition, we have examined our allocations for medicare. Last year the government first considered the matter of payments to physicians under the Ontario health insurance plan in the context of the inflation restraint program. Because that legislation was directed specifically towards limiting increases in the wages and salaries of public sector employees, we concluded that physicians, as self-employed professionals, were exempt.

Mr. Kerrio: The tooth fairy brought them their money.

Hon. Mr. Grossman: You agreed with that, Vince.

Hon. Mr. Davis: That is what you said to your doctor.

Hon. Mr. Grossman: Since our restraint program this year is based on limiting funding for grants and transfers used to pay for public services, including health, we believe medicare payments for physicians' services fall within the framework of this year's program.

We have shared this view with the officers of the Ontario Medical Association because we would have welcomed their co-operation and support in providing private sector leadership in this effort to control inflation. We have concluded that we cannot in fairness exempt their portion of the OHIP transfers from the restraint program. Therefore, the schedule of benefits will be adjusted on April 1, 1984, by five per cent

rather than the seven per cent reflected in our agreement with the OMA, bringing it into line with the funding of all other transfers.

Hon. Mr. Davis: You will have to oppose that.

Hon. Mr. Grossman: Yes, we are looking for members opposite to oppose that, as they did last year.

It is important to note that the five per cent figure we have chosen for this program is not tied to current or anticipated rates of inflation. Rather, it represents an amount we consider to be fair, reasonable and responsible, given current economic conditions and the need for continued restraint.

We have decided not to legislate rigid wage controls this year, for, in the long term, reliance on a legislated cap is not the answer. Ultimately, it is artificial. Real restraint can only be, and we believe will be, achieved through the resolve and commitment of all those involved in the bargaining process.

Earlier I indicated we will rely on collective bargaining and normal dispute resolution mechanisms to ensure fairness and flexibility for both employers and employees in the public sector. In our consultations, representatives of both business and labour demonstrated sensitivity to current economic difficulties and stated quite clearly they were committed to bargaining responsibly and with restraint. They have a clear obligation now to live up to that commitment.

We believe this process should, however, be monitored carefully. Therefore, we will give the Inflation Restraint Board a new mandate to oversee wage development in the public sector. As the legislation requires, I will be advising the board that the criterion against which it will assess compensation increases in the broadly defined public sector should indeed be five per cent.

In making this assessment, the board will consider increases in total compensation; that is, it will consider increases in wages, benefits and perquisites and the cost of providing merit increases and increments. In determining compliance, the board will consider the average increase for a group of employees. This means that in a bargaining unit it would be possible to provide larger percentage increases for some employees, as long as the average increase for the group is at or below the five per cent guideline.

2:20 p.m.

To ensure that our restraint objectives are understood and to keep the government informed of instances of noncompliance, those covered by the program—essentially the same group as under the Inflation Restraint Act—will be required to file reports of changes in their compensation plans. The board will have the power to demand whatever information it needs to carry out its duties, including costing of compensation packages. It will report cases of noncompliance to the Treasurer.

In our consultations with both employers and employees, concern was expressed about the binding arbitration process. Accordingly, in the course of the next year the government will be inviting those affected by arbitration to express their views on that process. In the meantime, it is important that this year's restraint program be reflected in arbitrations.

We have decided, therefore, that while the normal operation of binding arbitration will be resumed, two important qualifications will be in effect during the restraint period. First, where public sector collective bargaining disputes are resolved by binding arbitration, arbitrators will be required to take into account the employer's ability to pay in the context of existing provincial fiscal policy. Second, no arbitration award will be allowed to take effect or be implemented unless it contains a clear statement of the arbitrator's assessment of the cost or saving to the employer as a result of the award.

The purpose of these provisions is to ensure that in making their awards, arbitrators analyse and take into account the true and total cost of changes to collective agreements. This will enable all parties to understand the actual dollar cost of changes to their terms of employment. Employees will have access to information they should have but until now have not always had. Further, the public has a right to know the total cost associated with the public services they receive.

During our consultations, many expressed concern over the lack of a comprehensive data base on public sector compensation. More complete information would increase the effectiveness of collective bargaining and improve the quality of the arbitration process. Therefore, our government proposes to establish a joint labour-management public sector pay research agency to develop and maintain a reliable data base for public sector bargaining. My colleague the Minister of Labour (Mr. Ramsay) will be announcing further details of this proposal at a later time.

Members will recall that the Inflation Restraint Act prohibited merit increases for those earning more than \$35,000. This provision was based on the government's view that those with higher incomes and secure jobs were in a position to make a greater contribution in a period of restraint. Conversely, we allowed for increases above the five per cent limit at the low end. The low-income provision and the more restrictive treatment of high-income persons were appropriate in the Inflation Restraint Act. Now that we are returning to collective bargaining, the distribution of wages in a settlement is a matter to be resolved by the parties.

[Applause]

Hon. Mr. Grossman: Why do those members not applaud that? We have great belief in the system on this side of the House. The member for Port Arthur (Mr. Foulds) should join us.

Any control program inevitably gives rise to certain problems and anomalies. We believe the new program has the necessary flexibility to permit these to be addressed in collective bargaining.

The new legislation contains transitional provisions that have been designed to ensure an orderly return to the environment of free collective bargaining. The legislation will require that all pay increases taking effect during the restraint period be calculated as part of the total compensation package and be filed according to procedures set forth by the Inflation Restraint Board. This includes merit increments and other increases that otherwise would have occurred automatically after the expiry of Bill 179.

An important part of Ontario's inflation restraint policy over the past year has been the restraint program for administered prices, those prices either directly set or regulated by the province. We believe the system put in place last year was very fair, and we have decided to continue an administered price program.

The cabinet committee on administered prices will have a role similar to the Inflation Restraint Board on the compensation side of the program. All increases above the guideline will be brought by ministers to the committee for review. Increases the committee finds inconsistent with the administered price criteria will be referred back to the relevant agency or ministry and reported to cabinet.

If the committee determines that there is developing a pattern of administered price increases inconsistent with the criteria, the

government will then decide what further action might be required.

In summary, this transitional year marks a move away from comprehensive controls and towards a more flexible approach to wage and price determination in the public sector. Over the longer term, however, responsibility for restraint must rest with public sector employers, employees and those who determine administered prices. In the meantime, our government will continue to exercise vigilance over wages and prices in the public sector.

I have outlined our public sector wage and price restraint program for this year. Might I pause to say it is a result of many months of extremely hard work by my most dedicated staff in the Ministry of Treasury and Economics as well as the staff from several other ministries within the government, and for their efforts I should like to applaud them.

Through our system of grants and transfers, we will provide for average compensation increases of up to five per cent for a group. This principle will also be applied to our funding of the OHIP fee schedule, which determines payments to physicians. The Inflation Restraint Board will be given a changed mandate to oversee wage developments in the public sector. Arbitrators will be required to take the employer's ability to pay into account and will be required to cost the impact of their awards. A review of arbitration will be undertaken and a labour-management public sector pay research agency will be established. A restraint program for administered prices will be in place.

However, it must be remembered that the fight against inflation requires the commitment of employers and employees in both the public and private sectors.

This is the second time in a decade that a program of controls is being phased out. If it does not work, if there is no evidence of realism or responsibility, we will have learned that the problems in public sector pay determination are more fundamental and more deep-rooted than we now believe.

All of us—government, business and labour—have a collective obligation to prevent the recurrence of high rates of inflation. Rapid inflation would jeopardize our jobs, homes, farms, small businesses and, indeed, our entire economic future.

Our objective is to create a secure economic environment, an environment that sustains job creation, stimulates productivity growth and provides for real wage gains at low rates of

inflation. Now is the time for all in our society to explore new horizons and set new goals. We must rededicate ourselves to the task of strengthening our economy and creating balanced progress and growth.

In closing, might I say that, as a government, we want to be able to move to support and encourage our economic recovery; it is too fragile to risk, too important to neglect. With this program in place, we are confident we can invest safely and optimistically in our future.

2:30 p.m.

VISITOR

Mr. Speaker: Before proceeding, I ask all members to join with me in recognizing and welcoming in the Speaker's gallery Dr. William Filanté, assemblyman from the San Francisco Bay area of California. For the information of members, Dr. Filanté is visiting Ontario as part of a California State Assembly transportation committee delegation being hosted by the Urban Transportation Development Corp. and the Ministry of Industry and Trade.

ORAL QUESTIONS

PRICE CONTROL

Mr. Peterson: Mr. Speaker, I have a question for the Treasurer. I note with some interest what he has said about prices on page 6 of his statement. He has said really nothing new except that he has a new cabinet committee on administered prices. Will the Treasurer guarantee to the people of this province that no government licences, fees or any other regulated prices will go up by more than five per cent under this control program?

Hon. Mr. Grossman: No, Mr. Speaker, there are some of them that must go up by more than five per cent or else they would be harming the very people whom the Leader of the Opposition wants to stand up and pose to be protecting when he suggests that sort of thing, and he knows that.

Mr. Peterson: How can this program expect to have any credibility if the government raises Ontario Hydro prices by more than five per cent? Now the Treasurer is saying in this House that he is going to raise some other administered prices by more than five per cent. How can he expect it to have any credibility whatsoever?

Hon. Mr. Grossman: I will tell the member why. It is because I think the majority of Ontarians are more sensible than he perhaps gives them credit for. I do not think there are a

great number of Ontarians who think they would be well served if for cosmetic reasons we were to say, for example, that Hydro, which even the Ontario Energy Board said needs more than five per cent, should not get that figure.

I have not heard the Liberal Party—

Interjections.

Mr. Speaker: Order.

Mr. Bradley: Don't be nervous. Just answer the question.

Hon. Mr. Grossman: The member and his colleagues will be nervous until they figure out a position on this. I understand that. I have not heard the Liberal Party of Ontario suggest that Hydro should be held to five per cent, and the member opposite can correct me if I am wrong.

Interjections.

Mr. Speaker: Order.

Hon. Mr. Grossman: I would like to hear the member's explanation to those who put some value in a credit rating and in running these things properly and in accordance with legislative mandate as he explains that Hydro should be taken down to that kind of figure. That is the ultimate in irresponsibility and the ultimate in copping out, may I say quite frankly, to the cosmetic optics of politics.

Obviously, it would be eminently easier for all of us simply to say, "Yes, it should be held to five per cent." But when the member's children, my children and others are paying staggering debt loads for their having lost their credit rating or paying staggering credit costs because of Hydro's being stripped down for political reasons to below what is affordable and sensible, we will rue the day we did that. It would be irresponsible.

Mr. Rae: Mr. Speaker, the minister can gnash his gums all he wants. The fact is, when it comes to price review, the program had absolutely zero credibility last year because of the way in which it happened and because of the measures that were taken, and it will have zero credibility next year.

I simply want to ask the Treasurer why the whole process of review on the price side is so different again this year from what it is on the wages side. On the wages side he has things happening publicly. He has an overall framework, a pattern of controls, a pattern of limitations; he has a review agency; he has a new pay research agency. On the prices side he has three or four or five cabinet ministers meeting in private and then throwing up their hands and deciding to do nothing.

Why is there such a dramatic contrast between what the minister is doing on the wages side to the lowest-paid workers in this province and what he is doing on the prices side, when those very workers are having to pay price increases for heating and for a number of other things that are well above the five per cent limit he set on his wage earners?

Hon. Mr. Grossman: Mr. Speaker, I want clearly to reject the premise that what we are doing on the prices side is different from what we are doing on the wages side. It is a mirror of what we are doing on the wages side. Neither side has any rollback power. The boards on both sides have no power to roll back. The persons responsible for both wage settlements and price setting have to answer to the public and show the kind of responsibility they undertook to have.

I suspect the member is not aware of how many administered prices this government is responsible for. To put the whole question of the credibility of the price program in some perspective, let me tell him that exactly 18 prices were allowed last year to go above the five per cent guideline; exactly 18. The number of prices out there that were controlled without any need to go and ask for permission, but simply because this government and its ministers responsibly held them to five per cent or less, was more than 2,000. Out of more than 2,000 price increases the people of this province could have faced in the absence of our restraint program, they actually faced 18.

I have to say that even in the member's wildest moments of incantation it would be hard to convince a whole lot of members of the public that 18 prices out of more than 2,000 destroys the credibility of the program.

I would have—

Mr. Speaker: That was a very complete and informative answer. Thank you very much.

Mr. Peterson: What is the minister saying? Is he saying that his ministers, on their own, controlled prices in more than 2,000 instances but 18 were exempted? Is he saying, then, that the mechanism he had in place to control prices was not operative? Is that what he is saying?

Mr. Speaker: Question, please.

Mr. Peterson: How can he expect any credibility for the program when there are any administered prices over the five per cent? That sticks in the craw of every person in this province who is restrained, and it destroys the credibility of the program. Surely he under-

stands that. Surely he understands the discussion across this province with respect to the program and how its credibility has been undermined.

He is the one who has come forward to make a new concession today in response to a press article about MPPs' expense accounts. He is concerned about the optics of it. Why would he not go the extra mile and control all prices that are under his jurisdiction?

Hon. Mr. Grossman: The member must have confused either himself or me with his question. I have to say, when this government is responsible for more than 2,000 administered prices and when all but 44, which was the number that went to the Inflation Restraint Board, were in fact controlled by the government, by the ministries without going to that board, I feel fairly comfortable in saying, notwithstanding the member's premise, that this government did control prices.

2:40 p.m.

It controlled 2,000 of them; 44 were controlled in another way after there had been a determination here in a preliminary way by the ministers involved that there was a case to be made for a further price increase on a cost pass-through basis.

Of the 44 that went to the board, 18 were allowed. With that kind of record, I can say to the member quite comfortably that we can go to the public and say with or without a program we managed here, without accessing the program and without asking for exemptions, to control approximately 2,000 of our prices, simply because we had the will, determination and courage to do that.

PHYSICIANS' FEES

Mr. Peterson: Mr. Speaker, I have a new question with respect to the minister's handling of the doctors in this province. On page 4, he says he has changed his logic completely on doctors being controlled under this program. To me it is an extraordinary leap of logic why he is doing this now, or at least going part way this year and not last year. However, there has been something of a conversion on the road to Damascus and he sees the equity of the position we put forward before.

According to his own statement, the minister is taking the doctors' increase from seven per cent down to five per cent for this year, but he neglects to mention that doctors will be receiving an additional three per cent on January 1 of next year, so doctors will be getting eight per

cent, not the five per cent he talked about. Why did he deliberately choose to try to fool the people of this province in this matter?

Hon. Mr. Grossman: Mr. Speaker, now that we have decided to adjust the schedule of benefits to five per cent, I am sure the member will go out and tell all the members of the medical profession that he is in favour of rolling back—how much? To five? How much was he in favour—

Interjections.

Hon. Mr. Grossman: Just outbid us, because that is what he wants to put forward cosmetically to the public. Might I say my statement was quite explicit. It did not say 1984 adjustments; it said April 1, 1984. We did not mislead anyone in any way. We talked about the April 1 adjustment.

If it is his position that the other adjustments for next year ought to be rolled back, he should feel free to put that position, but he should think about it carefully. All I can say is the adjustment we are talking about is the April 1 adjustment, and any suggestion he wants to make that we hid that is, with respect, inappropriate. It was right in the statement.

Mr. Peterson: Doctors will be getting the five plus three this year, which is eight per cent. The minister is only rolling it back from seven to five per cent. He is going to allow that adjustment. Is my understanding clear that they will not be subjected to the same guidelines as other people who are restrained in this province? Would the minister think about that carefully?

Hon. Mr. Grossman: We have thought about it carefully and, if he will read the contract in question, he will find the April 1 adjustments are those adjustments which are meant to be the annual renegotiations and adjustments in accordance with annual collective agreements where people re-establish the benchmarks for the year. That process—

Mr. Peterson: Catch-up

Hon. Mr. Davis: No, read the contract.

Mr. Peterson: Do you want me to remind you what you said?

Mr. Speaker: Order.

Hon. Mr. Grossman: He should be careful. I have lots he said last year.

Mr. Speaker: Order. Supplementary; the member for York South.

Mr. Rae: Mr. Speaker, the officials of the Ontario Medical Association have always made it clear that for their part they do not regard the settlement that was reached with the

government—which was negotiated at 14 per cent, 11 per cent and seven per cent, or whatever it was, by the Treasurer when he was the Minister of Health—as a binding contract in any sense.

What is the Treasurer's response going to be if the members of the medical profession decide to opt out in increasing numbers as a result of the decision of the government to roll back the transfer payments? Is he going to take any steps whatsoever to deal with an increase in extra billing which, given the behaviour of the profession, is almost inevitable? Is he going to deal with that issue or is he simply going to let it lie?

Hon. Mr. Grossman: Mr. Speaker, if I heard the member's preface correctly, he said the OMA had not regarded the agreement as binding in any sense. Is that what the member said?

Mr. Rae: On their individual members.

Hon. Mr. Grossman: Oh, I see. The member for York South has clarified his position.

For 85 per cent of their numbers and for 95 per cent of all services rendered they are obviously honouring that agreement. The member might have other ways to say this year that he agrees the contract should be rewritten, whereas last year he was strongly suggesting the doctors' contract should not be adjusted. As the member tries to figure out what he is going to do with that position, I might suggest he finds another way to come at the extra billing problem other than to say the doctors are not honouring the agreement. With respect, they do honour the agreement.

Finally, on the extra billing question, the acting Minister of Health (Mr. McCaffrey) will continue to deal with that as he has so ably done until now. I would anticipate the vast majority of the members of the medical profession who have not seen fit to opt out for many years will not begin to do so now in any significant numbers. The member knows well the opting-out numbers are declining and have been for four or five years.

Mr. Peterson: I am having serious difficulty with the Treasurer's logic. Last year he concluded that doctors were self-employed professionals and were exempt from the program. This year he concluded they should be part of the program. The Treasurer has gone a little bit of the way there. He has knocked them down two per cent but not down the full six per cent that would have brought them in line with the other restraint program.

Why did the Treasurer go only part of the

way? Why would he not make the doctors part of the program the same as everybody else under the legislation? Why would he make that artificial distinction?

Hon. Mr. Grossman: The position of the Liberal leader then is to roll back seven plus three, roll back 10 to five? Is that the position? I want the member for Niagara Falls (Mr. Kerrio) to understand it this weekend.

Interjections.

Mr. Speaker: Order.

INFLATION RESTRAINT LEGISLATION

Mr. Rae: Mr. Speaker, for technical reasons the Treasurer has not been able to provide us with a copy of the bill. It would have been extremely useful in enabling us to focus attention on what the government is doing.

The Treasurer made some reference to cosmetic optics. He is the master par excellence of that in the chamber, so I am going to have to ask some questions as to exactly what he means and what he intends to do. As he will be aware, the Inflation Restraint Board, in addition to rolling back the settlement at the Sensenbrenner Hospital, has also rolled back settlements at the family service bureaus in Brantford, the county of Renfrew, the township of Charlottenburgh—

Mr. Speaker: Now for the question, please.

Mr. Rae: I have to get this information on the record.

Mr. Speaker: Please place your question.

Interjections.

Mr. Rae: They are all good though. There is even one in Peterborough.

Mr. Speaker: The honourable member knows full well that he is not supposed to be referring to material such as he has. I would ask him to place his question, please.

2:50 p.m.

Mr. Rae: This is my question. There have been rollbacks, there have been takebacks by the Inflation Restraint Board, there have been people in the nursing home sector whose wages have been significantly rolled back and they are permanently frozen in a situation where they are well behind people in other nursing homes and people in other sectors—hospital workers for example; real inequities have been built into this system as a result of what the government did last year. Sensenbrenner is not the only example. There are real problems with what has

been bequeathed to the province and to the public sector workers.

Mr. Speaker: Now for the question, please.

Mr. Rae: What is going to happen to those public sector workers as a result of the changes that are being brought in? Does the Treasurer intend to do anything special for these people, as he has indicated he wants to do for the Sensenbrenner Hospital workers? What is he going to do to see that people are not permanently frozen and caught and stuck in a situation where their wages are well behind those of other people working at exactly the same jobs at a hospital just down the road?

Hon. Mr. Grossman: Mr. Speaker, as I indicated in the statement, there are anomalies and problems that crop up in these things, and one of the reasons we have opted for this very flexible program is that I believe all of those can be accommodated in this current year.

My colleague the member for Cochrane North (Mr. Piché) and I had a discussion earlier today with regard to a mechanism whereby at no one's expense, at expense to no other workers, the hospital workers at Sensenbrenner can have their problem solved without having to pay any money back to anyone, and that indeed will be possible because of the unique and innovative character of this piece of legislation. So thanks to the work of my colleague the member for Cochrane North and the flexibility of this bill, that problem will be solved.

Mr. Rae: I do not know how many conjurers the Treasurer has on his staff, but I have asked a very direct question with respect to people who have fallen behind significantly as a result of what the government has done to workers in the public sector, and I think we deserve a straight answer.

There are workers, for example, at the Barton Place Nursing Home whose wage increases would have brought them up to the level of other workers in nursing homes right across the city of Toronto and they have been kept behind and frozen behind by the Inflation Restraint Board.

I am asking the Treasurer specifically, is there anything in the legislation that deals with the problems of those workers and guarantees that this year they will be allowed to catch up without taking away from any other workers in the public sector? Is there anything which guarantees that in the legislation?

Hon. Mr. Grossman: The best guarantee that I have understood, particularly in the positions

put by the third party, is the collective bargaining system. That is one of the reasons we have chosen to reintroduce collective bargaining across a wide range this year.

I want to say, with all respect to the leader of the third party as he seeks for an island to jump on here, on all of the injustices or purported injustices he has raised today and on other days he has said many times would not have happened if there had been full and free collective bargaining, I do believe that full and free collective bargaining will resolve the inequities.

I have great confidence in the negotiators, and since I have that great confidence in the negotiators on both sides of the table, particularly in the union negotiators, to work first to address the inequities at the low end—and I know they will do that—I can say with some comfort that this legislation has enough flexibility to look after all of those people.

Mr. Wrye: Mr. Speaker, since we have not seen the legislation, can the Treasurer elaborate on page 4 of his statement? After reviewing the process the Inflation Restraint Board went through last year, he has a new final mechanism. He says simply that the board "will report cases of noncompliance," presumably groups over an average of five per cent, "to the Treasurer."

Could he please inform the House what happens then? Is the cabinet going to be empowered to roll back settlements? What will happen when there is noncompliance? Would the minister elaborate?

Hon. Mr. Grossman: Mr. Speaker, we believe that this program and the fight against inflation really requires the joining into it of everyone in the system. Therefore, we anticipate that the negotiators throughout the system will have to deal with the discipline put on them by their voters, their constituents and the public at large in answering for those settlements that are above five per cent.

They will also, of course, have to face the reality that many of those agencies will be funded sufficiently to provide only a five per cent increase in compensation for the group. If any of those agencies are prepared to give more than five per cent, they will have an obligation to explain to their public how they are going to find the additional funds.

That is the most important mechanism. Therefore, in reporting to the Treasurer these cases of noncompliance, we anticipate two things. One, where appropriate, those decisions will be made public and will be available for public scrutiny and judgement. Second, by having them reported

to us, we will be able to monitor the inflation syndrome. If we believe there is not the degree of commitment we have been promised by both management and labour, then we will be able to make the appropriate adjustments and take the appropriate steps when we come back into this House in the spring. But there is no rollback.

Mr. Foulds: Mr. Speaker, how does the Treasurer expect the nurses at Pinewood Court in Thunder Bay to meet the order number 3609 of the Inflation Restraint Board? They have been ordered to pay back to the management of the nursing home increases ranging from \$34 to \$2,000, and those paybacks must occur before the end of December this year, when those nurses will earn only \$2,000 per month at the very highest. How does he expect them to follow that order? Does he not see that as an injustice in the tactics of the Inflation Restraint Board?

Hon. Mr. Grossman: Mr. Speaker, I have not had a chance to review that case. However, if the honourable member and perhaps the member for Fort William (Mr. Hennessy) would like to sit down with me, as my colleague the member for Cochrane North did, and peruse those circumstances in the context of the new legislation, perhaps we can find a remedy in that case as well.

Mr. Rae: I would like to ask the Treasurer a broader question. I do not think he has addressed this question. He has controls by another name when he slaps on the five per cent increase. The only kind of flexibility in the system is within bargaining units and not between bargaining units. What we are talking about is a problem between bargaining units. I hope the Treasurer will grasp that problem because it is going to come back and hit him time and again in the administration of this new program.

Given the overall economic circumstances the province now faces, and the fact that capital investment in the private sector has not taken off, given the fact that observers have seen and said that overall recovery is being held back by a lack of consumer demand, can the Treasurer justify for the Legislature once again, so we can understand what the government is saying, where is the incentive for recovery? Where is the engine for recovery going to come from?

It is not coming from the private sector at the present time. Clearly it does not come from the public sector or from the last budget. It is not going to come from an increase in consumer demand. Where is the incentive going to come

from to get the economy moving again in the 1980s?

Hon. Mr. Grossman: The private sector and government.

Mr. Rae: The minister knows that no new jobs were created in the last month that was covered by Statistics Canada. He knows the statements that have been made by the Conference Board of Canada and by some individuals that controls are solely a cosmetic exercise. How are the private sector and the government going to generate employment when such a strong clamp has been put on consumer spending and on the ability of consumers to be able to lead this recovery in any way?

Hon. Mr. Grossman: With respect, the member's theory that the more money that is paid to those who are employed in the public sector will aid the recovery is simply a different version of Ronald Reagan's trickle-down theory. In his trickle-down theory he would have it that if one reduces taxes on the wealthy in society, jobs will trickle down and that wealth will trickle down through the economy and get jobs for those who are unemployed.

The member's suggestions are very similar. It is Reaganomics applied to the public sector. It says if one pays more to those who are employed in the public sector then somehow the unemployed people in the streets of his riding and mine will be the major beneficiaries. Both the member and Ronald Reagan should be ashamed of the new partnership.

3 p.m.

Mr. Roy: Mr. Speaker, in reading the Treasurer's statement about this new program, I see no mention whatsoever of whether he has received legal advice from the Attorney General (Mr. McMurtry) indicating the bill he is now proposing is within the new Charter of Rights. Can the minister give us his assurance that he has received an opinion from the Attorney General, that his officials have reviewed the legislation and are satisfied it is legal this time?

What assurance can the Treasurer give us that the advice he is receiving this year is better than the advice he got last year, when it was illegal to put the doctors in last year and it is legal this year?

Hon. Mr. Grossman: Mr. Speaker, the member will see when the legislation is introduced that is not part of the legislation itself.

In answer to the first part of the question, as always I ask for and get the best legal advice

perhaps in the country from my colleague the Attorney General. He has informed me that in the opinion of the crown law officers this is in compliance.

Mr. Rae: Mr. Speaker, I am sure we will all sleep more soundly knowing the Attorney General has given his approval to this legislation. That gives those of us on this side a lot of confidence.

Mr. Speaker: Question, please.

Mr. Rae: I would like to return to the question I was addressing to the Treasurer. Is this it? Is this the economic program with which he is going to take us into the winter? Is this all he is going to do in terms of generating some kind of incentive for growth in the provincial economy?

The Treasurer has led the troops up the hill and now he has started to take them back down again on exactly the same route. We have not moved at all in terms of a government that is committed to full employment and job creation. Is the Treasurer going to do anything for job creation or the economy to get it going prior to the winter?

Hon. Mr. Grossman: As I indicated at the end of my statement, I believe this program will allow us to move to make appropriate investments in recovery. With regard to the timing of those new investments, might I say to the leader of the third party it will be in the fullness of time but probably sooner rather than later.

ELECTION EXPENSES

Mr. Conway: Mr. Speaker, I have a question to the Treasurer, to that sorcerer's apprentice who has travelled the globe on Concorde at public expense, to that man who spent thousands of dollars when he changed ministerial department offices, to that man who personally spent an eighth of a million dollars to secure re-election in 1981.

Mr. Speaker: Question, please.

Mr. Conway: My question is to that man who invites all members to join him in protecting the public purse in the cause of restraint. Is the Treasurer, that man who spent an eighth of a million dollars to secure re-election to this House, most of which was a tax-supported expenditure—

Mr. Speaker: I presume you do have a question.

Mr. Conway: Given the Treasurer's sensitivity about our leadership in this role, our 12 per cent allowances and all that reference which

was not included in his text, will he give an undertaking that he will move expeditiously to amend the election expenses legislation of this province to establish a cap on those tax expenditures that go towards elected members and those seeking elected office?

Then the public treasury will not be prevailed upon as it has been in places like St. Andrew-St. Patrick and Don Mills, where literally hundreds of thousands of tax-supported dollars have been put on account for putative leadership candidates or other such partisan activities. Will the Treasurer give us an undertaking that he will take that leadership and protect the public treasury in the cause of restraint in that very specific way?

Hon. Mr. Grossman: Mr. Speaker, I hope the member feels better after all that. I can understand that cathartic exercise will not only make him feel better but will take him back to the excesses of last weekend when his leader was even suggesting the Liberals might win the next election.

Hon. Mr. Davis: Actually, I read it was a minority.

Hon. Mr. Grossman: It is a good thing the crown law officers were not in the vicinity over the weekend. They might have caught some unusual substances there.

I understand the member for Renfrew North's continuing frustration with the fact that some of us on this side were ourselves able to glean more popular support from those who financially support parties. We were able to do that personally with more success than the entire Liberal Party of Ontario. It only shows the continuing good judgement of the people of this province.

Mr. Conway: Will the Treasurer not agree with me that since he is now prepared to subject our 12 per cent increase on accommodation allowances to a review, it is now time to re-examine the enormous drawdowns on the public treasury with respect to election expenses financing which, uncapped, creates the very clear impression, and in many respects the absolute reality, that the public purse is being asked to subsidize events and personalities at a time of restraint in a way that was never intended when that legislation was brought forward some eight and a half years ago?

Surely the Treasurer will want to agree with me and all other members that we must show that kind of leadership, and surely he will want, in the interest of leadership and credibility, to

bring forward that kind of improvement to cap the public expenditures in that key area.

Mr. Speaker: Order, please.

Hon. Mr. Grossman: I think it is appropriate for the arrangements that have been made here to be reviewed by the Board of Internal Economy. I happen to have glanced at some preliminary figures, and they indicate to me that the members of this assembly have been most responsible and, notwithstanding that the ceiling has been raised by about 12 per cent, their actual expenses, which are only paid, as the member well knows, on the basis of invoices submitted, will not increase, with a couple of exceptions, by more than five per cent in any event.

That being the case, it is appropriate for the Board of Internal Economy to review the circumstances and see whether that kind of directive, which is obviously going to be misinterpreted and misunderstood, should stand the light of day or not. If the Liberal Party and the member think that a look at it, which is all I suggested—I did not suggest there be a rollback or that it was wrong, I suggested it was appropriate for the board to look at it.

Mr. Conway: Is the minister prepared to cap the public expenditures on election expenses? Is he going to spend another \$140,000 of taxpayers' money to get re-elected? That is the issue. He can show some leadership.

Mr. Speaker: Order.

Hon. Mr. Grossman: I will leave the member to his own excess.

Mr. Speaker: Order. Next question.

ARBITRATION RULINGS

Mr. Mackenzie: Mr. Speaker, I have a question for the Treasurer. I am concerned about another rather dangerous intrusion into the entire process of collective bargaining in Ontario, and that has to do with the instructions or rules for arbitrators.

I wonder if the Treasurer could be a little clearer about or would explain exactly what his intentions are with regard to arbitrators' rulings and what acts he will be specifically looking at in terms of any instructions given to arbitrators.

Mr. Speaker: Before you proceed, I would ask that the private conversations flying across the floor here stop. I am having trouble hearing the question and I am sure the Treasurer is.

Hon. Mr. Grossman: Mr. Speaker, I know the

question was with regard to arbitrators. I wonder if the member would mind repeating it.

Mr. Mackenzie: As I said, I am concerned about another dangerous intrusion into the collective bargaining process. I wonder if the Treasurer could be a little clearer on what his intentions are in terms of instructions to arbitrators in Ontario. What acts will be specifically dealt with?

Hon. Mr. Grossman: Mr. Speaker, first, a couple of members opposite have raised a question about needing a copy of the legislation to comment on it. I have copies prepared for distribution, but I was informed by legislative counsel that until the minister gets leave to introduce the bill it would be inappropriate to circulate it prior to that time.

In terms of the arbitration, it is much as I tried to describe in my statement. Arbitrators will be asked to take into account ability to pay, which I am informed it is the view of many people, if not most, they already do. Therefore, I am not sure what impact that will have. But if there are arbitrators who are not taking into account ability to pay, it is certainly appropriate that they do so.

3:10 p.m.

The other portion of it will relate to costing. We think it is appropriate in this environment, in any event, for the costs of all items determined in an arbitration to be well understood by both parties to the negotiations and also well understood by the public.

Those are the rather modest steps we will take in this area. They will not be carried further in terms of this legislation than the legislation itself. In other words, these are one-year changes.

Mr. Mackenzie: Does the minister not recognize that many of the rights and gains that have been made by working people in this province have been made as a result of arbitrators' decisions? What he is doing is interfering with the integrity and freedom of arbitrators to rule in Ontario. I see it as an insidious extension of the control process in this province and a very dangerous one.

Hon. Mr. Grossman: My position is that last year there were no arbitrations; this year there will be arbitrators and the arbitrator's decision stands.

Mr. Mackenzie: They are told what they can do.

Hon. Mr. Grossman: With respect, we have not told them what they can do. We have

indicated to them that in reaching their decisions they should take into account the ability of the public to pay. I do not think that ought to present a problem for them.

I think asking them to put costing in there, to throw some light on the process, will do a couple of things. Labour groups often have not understood the financial implications of what they are asking for and have not understood the economics of what they might also begin to ask for. This will allow them to have that information at hand.

I also think it helps any process if, as the third party has often said, more sunshine is put on it. I can see no danger, no impediment, no reining in of their flexibility. There may be imposed upon them a clearer understanding, a clearer need to analyse the cost of what they are recommending. I think that is only helpful and fair to all parties to the arbitration.

Mr. Sargent: Mr. Speaker, in this outline of public sector wage and price restraint, if the minister is totally sincere in this position, why does he not look at the back of the list in front of him where 32 cabinet ministers are listed. It is the largest cabinet in Canada. Another 32 members are parliamentary assistants. Why does he not prove his sincerity to the people of Ontario and say he is going to cancel all the assistants to the ministers and get rid of all those limousines?

Mr. Speaker: An interesting question but hardly a supplementary.

The Minister of Revenue has a very brief reply to a previously asked question.

Mr. Sargent: What does that mean? I want an answer.

Mr. Speaker: It was, as I said, a very interesting question.

Mr. Sargent: Let him answer it then.

Mr. Speaker: It was not a supplementary.

Mr. Sargent: For the record, what is he going to do?

Mr. Speaker: The Minister of Revenue.

RETAIL SALES TAX

Hon. Mr. Gregory: Mr. Speaker, I would like to respond to the question raised by the Leader of the Opposition (Mr. Peterson) last week on the application of retail sales tax on mobile caterers.

As a result of the 1982 budget which applied the retail sales tax to all prepared foods, my staff met with the president and executive officers of

the mobile caterers' association to work out an arrangement that would benefit the small operator, given the circumstances under which the majority of these mobile canteen operators work.

This arrangement was negotiated with the explicit objective of avoiding as far as possible vendorizing every mobile caterer. Consequently, the arrangement was available to most operators. However, it was restricted to those who made all their purchases through central commissaries rather than keeping track of the tax on each individual sale, tabulating these collections and completing a sales tax return at the end of each month.

The arrangement involved a formula, based on information supplied by the association, which applied a percentage rate of 3.5 on the total wholesale purchases by the operator from the commissaries. This percentage rate applied to total wholesale purchases would equate to the tax collected by the operator. It took into account the industry-wide mix of taxable and nontaxable sales, as well as unsold items because of spoilage and industry-wide average markups. There are approximately 800 caterers dealing with the commissaries and approximately 500 independent caterers. Therefore, this would avoid registering 800 operators.

The association agreed to offer this arrangement to its customers, the caterers, on the understanding that the rate would be changed if there was any change in the taxable-nontaxable mix or as a result of a review of the operation of the formula as a result of an audit within a year's time. Consequently, when the purchase of tobacco products became subject to retail sales tax on May 11, 1983, the formula rate was immediately increased to five per cent to reflect this change in the mix of taxable and nontaxable items.

Second, my branch has now completed the audits we agreed to do and has established that the new formula rate should now be nine per cent on purchases at the wholesale level, which is designed to reflect markups in the prices at which taxable goods are sold at the retail level. Since the formula rate reflects only the tax already being collected by the operators, I do not concur with the Leader of the Opposition that the price of coffee would now be increased by 10 per cent.

Finally, there is no question of this formula being embodied in a regulation. We will continue to work with the association, as we do with many such organizations, to offer administrative easements which result in the correct tax

being collected and remitted with a minimum of disruption on the part of our vendor population.

The increase in the formula rate to nine per cent in no way represents an increase in tax because the caterers should already have been collecting retail sales tax properly from their customers from the beginning in 1982. The important thing about this arrangement is that it greatly simplifies collecting and remitting taxes by a very large number of individual caterers. I believe this is exactly what the Leader of the Opposition wants.

Mr. Peterson: Mr. Speaker, with great respect, the minister obviously did not understand what was going on in his own ministry. He has now had a chance to bring himself up to speed on how the system works. We understood all of that when we asked him the question.

The tax is going from five per cent to nine per cent at a wholesale level. He now understands that. That is going to reflect itself through in retail prices that are going to be inflationary on their own. According to the mobile caterers, the price of a coffee will go from 40 cents to 45 cents—roughly 10 per cent—and a chocolate bar will go from 50 cents to 60 cents as a result of the minister's increase of an inflationary tax from five to nine per cent.

How can he stand in this House today, the same day the Treasurer (Mr. Grossman) is issuing his pitch for restraint, and now introduce a tax that is going to be inflationary at the 10 per cent level and is going to drive prices up and make a mockery of his Treasurer's program?

Hon. Mr. Gregory: I did explain the problem, and the Leader of the Opposition obviously did not understand. I explained very carefully that the nine per cent tax at the wholesale level would be reflected in a seven per cent rate at the retail level. I hope he will understand that.

As for his first remark that I did not know it was in my ministry, he very definitely indicated in his question that it was a new tax. Therefore, I suggested that I should perhaps discuss it with the Treasurer because I was not aware of a new tax being imposed.

Mr. Elston: Mr. Speaker, I have a question of the Minister of Intergovernmental Affairs, who I understand is with us somewhere. If not, perhaps he could return.

Hon. Mr. Davis: He is here spiritually, I can assure you.

Mr. Elston: Perhaps I could have my question set down in favour of my colleague's.

HELICOPTER INDUSTRY

Mr. Haggerty: Mr. Speaker, I have a question of the Premier. I am sure the Premier is aware of the high unemployment rate in the Niagara region. Is he aware of the news release of October 7, 1983, whereby the governments of Canada and Quebec announced that Bell Helicopter Textron Inc. would establish a light twin helicopter manufacturing facility in Quebec, creating an estimated 2,775 skilled jobs? Government's participation in the project totals \$275.4 million and the Quebec government's share of seed money is \$110.2 million.

Can the Premier inform the Legislature if a second helicopter deal is in process to establish a manufacturing facility in Ontario in partnership with Messerschmitt-Bulkow-Blohm GmbH of West Germany? If so, will this be a joint venture between the Ontario and the federal government to provide the necessary seed money and how many jobs will it create?

3:20 p.m.

Hon. Mr. Davis: Mr. Speaker, I cannot answer the honourable member's question beyond saying that there have been and continue to be discussions with respect to another possible investment in the helicopter industry in Ontario. When the Minister of Industry and Trade (Mr. F. S. Miller) is ready to share more information, he will be more than delighted to do so. However, I really would not want to lead the member astray at this moment other than to confirm that yes, there have been negotiations and they are continuing.

MUNICIPAL TRANSFER PAYMENTS

Mr. Wildman: Mr. Speaker, I have a question for the Treasurer with regard to the effect of his restraint program on municipalities. Is the Treasurer aware that the city welfare department in Sault Ste. Marie has handled a total of 20,482 cases during the first nine months of 1983, an increase of 8,901 cases, or about 77 per cent, over the first three quarters of 1982? Is the minister also aware that in October 1983 about 4,550 people in Sault Ste. Marie were dependent on welfare assistance, an increase of 21 per cent over October 1982?

If he is aware of that, I would ask him whether by limiting the municipal transfer payments to only five per cent he is not forcing city council to cut services at the very time when they should be increased or else to raise property taxes to Sault residents, many of whom are experiencing

serious financial hardships as a result of long-term layoffs.

Hon. Mr. Grossman: Mr. Speaker, let me clarify the program. I indicated today that the transfers to municipalities and to other transfer recipients, on account of their wage account, would be increased by five per cent. The final determination of the transfers to all those agencies will be announced when we are finished the allocations process in about a month's time. The honourable member should not confuse the transfer payment control mechanism here, which is only on the transfers on account of wages, with the ultimate transfer payment total for all expenses of the municipality.

Mr. Wildman: Is the minister aware that the city of Sault Ste. Marie has expended about \$7 million so far this year on welfare benefits and is projecting a total expenditure over the year of \$9.5 million, which is about \$1.5 million over the budget allocated for that area?

Am I to understand from his answer to my previous question that they might not even get the five per cent? If he is not suggesting that, can he confirm that there is going to be extra assistance for municipalities like Sault Ste. Marie that are in serious trouble as a result of the economic situation which his package does absolutely nothing to cure?

Hon. Mr. Grossman: Let me try to clarify once again. The transfer payments for public sector wages, which I announced today at five per cent, have nothing whatever to do with the balance of the transfers that will be used to meet welfare obligations and other municipal activities. If it has any impact at all, it will be that if municipalities are successful in reaching wage settlements for less than five per cent, they will have more financial flexibility in terms of the other things they wish to do. That is a feature of this program they can handle themselves.

To clarify, the announcement today is that the transfers for wages only will be five per cent. The transfers for all the other activities of municipalities, including welfare obligations, will be announced at a later time.

SPECIAL BURSARY PROGRAM

Mr. Sweeney: Mr. Speaker, I have a question for the Minister of Colleges and Universities. It deals with the Ontario special bursary program.

In the past two or three weeks in this Legislature there has been a great deal of discussion and support for women's issues. The minister will recall that there was unanimous approval

and support for the equal pay proposal introduced by my colleague the member for Hamilton Centre (Ms. Copps). We also recall that just last week the Minister responsible for Women's Issues (Mr. Welch) and the Provincial Secretary for Justice (Mr. Walker) announced some new governmental initiatives in support of women.

The minister will be well aware that the special bursary program to a large extent helps single mothers who are trying to get back into the work force, but to do so they have to get special training, particularly in some of the basic areas. Is the minister prepared to put any additional funds into that program when it has been brought to our attention that many of the colleges to which these single women go are now running out of that money?

I have been advised that St. Clair College has a waiting list of 15 students, Cambrian College has a waiting list of 13 and Algonquin College has a waiting list of 12. Does the minister have any intention of assisting these colleges and other types of institutions with the shortfall for this program?

Hon. Miss Stephenson: Mr. Speaker, I am sure the honourable member will recall that two years ago an effort was made to ensure the availability and accessibility of credit programs at the elementary and secondary levels for those students who required that kind of preliminary educational program to qualify for training programs that would move them into nontraditional employment or into more rewarding employment in terms of emolument.

We provided specific funding to the schools of this province through the school boards to ensure that all individuals, no matter what their age and no matter what their experience before, could attend a program provided by an elementary or secondary school, or a school board as purchased from a college, which would allow them to attain a secondary school graduation diploma free of charge.

That capacity is there. I urge those students who are currently awaiting programs at colleges to seriously consider attending programs in their local school board's jurisdiction for which they do not require any fee at all.

The special bursary program is there to assist those, particularly women, who require that additional educational assistance to acquire the basic skills that would allow them to move into a training program. They really do not qualify for Ontario student assistance, which is a post-secondary program rather than a secondary program.

Most of these students require elementary or secondary upgrading. The schools of this province stand ready to provide that, I hope in more flexible ways than had been available in the past. Certainly we will do our best to assure them that they have the opportunities to do just that.

Mr. Sweeney: I would concur with the minister that the alternative program is available and should be supported, but the minister will also be well aware that many of the single mothers who are trying to get back into the work force have to have new and different kinds of skills in addition to the basics. They can only get those at a place like a community college.

I further remind the minister that on October 7, speaking to the Rotary Club in Guelph, she said, and I hope I quote correctly: "But whatever the demographic shifts, whatever changes in skills are required for the marketplace"—and that was what I was referring to—"we have a well-established infrastructure in place. When they call our name, we will be there."

The minister's name is now being called by these women. The colleges, trying to respond to the shifts and changing skills required in the marketplace, cannot do so. They need the special bursary program for those women who need that additional assistance. I ask again, does she have any provision to deal with this situation?

Hon. Miss Stephenson: The special bursary program provides for the support of educational costs, and we most certainly do that. The requirements of most of these young women are not in the area of the provision of educational costs; it is other support that is required.

One of the difficulties I tried to outline to the member was that many of these young women are attending what they perceive as college courses for the basic upgrading that would allow them to move into the college course. I hope they will not look only at the provision of that kind of educational program at the college level. We are certainly prepared to be of assistance with a special bursary. It is an educational cost-support program, and it is there.

3:30 p.m.

RETRAINING PROGRAM

Mr. Foulds: Mr. Speaker, I have a question for the Treasurer, who is lurking behind your throne there and is coming back into the House now.

I would like to ask the Treasurer this very simple and direct question. What specific pro-

gram is he going to implement this winter to retrain and re-employ those workers over 45 years of age who are facing unemployment this winter, who have been laid off and who are, in the words of the Minister of Labour (Mr. Ramsay) as quoted in the Sault Ste. Marie Star, in the worst position because they are "too young to be pensioned and too old to be retrained, and anyway they have nowhere to look for work anyhow"? What is the Treasurer going to do for those specific workers this coming winter when they face an unemployment period, on average in the latest statistics, of 27 weeks?

Hon. Mr. Grossman: Mr. Speaker, as I indicated earlier, we are now looking at all those options. I have had consultations with many of my colleagues, including the Deputy Premier (Mr. Welch) in terms of his particular responsibilities and the Provincial Secretary for Social Development (Mr. McCaffrey) in terms of youth unemployment and the great number of unemployed in the category the honourable member refers to. We have had extensive discussions with the Minister of Industry and Trade (Mr. F. S. Miller).

All those discussions are continuing inside the government. When we feel the appropriate kind of program has been developed, and when we have a better understanding of what the federal government intends to do, which we might have after its throne speech, then we will take appropriate steps.

That is a judgement Treasurers must make from time to time in view of their responsibilities, and I cannot give any undertaking. The member has never been able to get an undertaking from my predecessor or from any other Treasurer with regard to the timing of those steps.

Mr. Foulds: Is the Treasurer saying that those men over 45 years of age in this province might as well give up hope of finding a job, those 165,000 who are currently unemployed?

Hon. Mr. Grossman: No. And so the member does not go outside and say I said that, let me be very clear. No, the member cannot say that; no, we are not abandoning those people; and yes, we do intend to do something. I hope it is able to be as well funded and as successful as the tremendous job creation program my predecessor mounted last May, which the member objected to but which put tens of thousands of people back to work in this province.

PETITIONS

INFLATION RESTRAINT LEGISLATION

Mr. Kolyn: Mr. Speaker, I am tabling a number of petitions on behalf of my Conservative colleagues. The petitions read as follows:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

Mr. Riddell: Mr. Speaker, even though it may seem after the fact with the announcement of the government's "restraint if necessary, but not necessarily restraint" program, I am obliged to present a petition.

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

This is signed by 141 teachers and staff of the Huron County Board of Education teaching in such schools as Stephen Central Public School, J. A. D. McCurdy Public School, Exeter Public School, Zurich Public School, Vanastra Public School, Holmesville Public School, Clinton Public School, Seaforth Public School, Hullett Central Public School, Robertson Memorial Public School in Goderich and the Huron county board office.

Mr. Stokes: Mr. Speaker, I have a similar petition with the exact wording. It is signed by teachers of the Crolancia Public School in Pickle Lake and the Schreiber Public School.

Mr. Sweeney: Mr. Speaker, I have a petition signed by 226 teachers.

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

It is signed by teachers from A. R. Kaufman Public School, Doon Public School, Forest Glen Public School in New Hamburg, Country Hills Public School, Centennial Public School, Prueter Public School, Floradale Public School, Stanley Park Public School, Central Public School, Northdale Public School, Breslau Public School and Victoria Public School.

Ms. Bryden: Mr. Speaker, I am pleased to present a petition from 17 teachers who reside in my riding.

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act, because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

I believe this petition is still relevant, because they refer to other measures, and I support the petition.

Mr. Haggerty: Mr. Speaker, I have received a letter from the Federation of Women Teachers Associations of Ontario with enclosed petitions addressed as follows:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act, because it is inequitable

in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

The petition is signed by petitioners from Garrison Road Public School, Fort Erie Elementary School, Douglas Public School, Ridgeway Public School, Rose Seaton Public School and Elsie English Memorial School for the Trainable Retarded. All these are from the town of Fort Erie.

Mr. Elston: Mr. Speaker, I have a similar petition here signed by 94 teachers from schools in my riding to the same effect as that put forward by my colleague the member for Fort Erie (Mr. Haggerty). Those teachers are from Hullett Central Public School, Turnberry Central Public School, Brussels Public School, East Wawanosh Public School, Howick Central Public School, Grey Central Public School, Brookside Public School and Wingham Public School.

Mr. Van Horne: Mr. Speaker, I have a similar petition, petitioning the Legislature to restore free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act.

This first petition is signed by 253 teachers from the following elementary schools in the city of London: Ryerson, Manor and Highland Park, Sir Isaac Brock, Northridge/Northdale, John P. Robarts, Lord Elgin, Knollwood Park, University Heights, Brick Street, Tweedsmuir, Empress, Riverside, White Oaks Senior, Masonville, St. Georges, Prince Charles, Victoria, Sir Winston Churchill, Northbrae and Princess Anne.

I have a second petition with the same preamble from teachers who live in the city of London and in my riding of London North but who work for the Middlesex county board. These teachers, totalling 27, represent the following schools in the township: East Williams, Centennial Central in Arva, Biddulph in Lucan, Plover Mills, Caradoc Central, Leesboro Central and River Heights.

3:40 p.m.

Mr. Bradley: Mr. Speaker, I have a petition from a number of teachers from various schools

in the Niagara Peninsula, including DeWitt Carter school in Port Colborne and Caroline M. Thompson school in Port Colborne, but people on the petition are from various parts of the Niagara Peninsula. It reads as follows:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

MOTIONS

PRIVATE MEMBERS' PUBLIC BUSINESS

Hon. Mr. Wells moved that the Mr. Rae replace Mr. Lupusella in the order of precedence for private members' public business and that the requirements of notice as provided in standing order 64(h) be waived.

Mr. Nixon: Mr. Speaker, since the motion calls for waiving notice, I think it would be only fair if the honourable member who is assuming the more advanced place in the list give the notice of motion now so that, although it is waived as far as the order paper is concerned, we at least know what he has in mind.

My own feeling, as I have expressed previously, is that when there are changes in the order of private members' business for a reason other than illness they detract to some extent from the independence of the topics to be selected. Since my colleagues as well as members in all the other parties have done this from time to time it is a little late to protest, as the lady said.

But I would say in this particular motion, which calls for the waiving of notice, that surely the New Democratic Party, since it is now using private members' hour as an instrument of party policy, might indicate what subject we are going to be treated to when the leader's advanced turn does come around.

Mr. Martel: Mr. Speaker, let me first indicate that the problem is that the member for Dovercourt (Mr. Lupusella) has asked to opt out

and is not going to take his position, as he was to have done next week, so there will be a vacancy.

The issue, of course, is the private member's bill moved by the leader of the NDP last week. I believe it is a bill on equal pay for work of equal value, similar to that which was introduced by the other member. We know how everyone voted on the resolution. I am sure that on the bill they will be overjoyed at supporting it.

Motion agreed to.

WITHDRAWAL OF BILL

Hon. Mr. Wells moved that the order for resuming the adjourned debate on the motion for second reading of Bill 174, An Act to provide for the Removal of Certain Waste from the Malvern Area, be discharged and that the bill be withdrawn.

Hon. Mr. Wells: Mr. Speaker, the reason for this motion is that a new memorandum of understanding between myself and the Honourable Jean Chrétien provides that the federal government will be the proponent and pay for and remove the soil with the co-operation of the province.

Mr. Nixon: Mr. Speaker, I know you will want to limit any possible debate on the withdrawal of the bill. While I have a good deal of confidence in Mr. Chrétien in making this commitment, evidently some of the government House leader's constituents do not share that confidence in his commitment that the soil is going to be withdrawn and deposited in some quarry he has found just outside the corner of his constituency.

Before we withdraw the bill, can he give us some specific date by which the soil is going to be removed and packed away in this quarry?

We have moved towards a solution on a number of occasions and I am sure the minister recalls the incomplete debate on this particular order. I think there was some indication of support on all sides if the minister could give the House the location where the radioactive soil would be deposited. He has finally negotiated a location but, according to his constituents, they are very much concerned that there is not an active date for the removal of the soil or a time limit. Perhaps before we withdraw the bill we could have certain reassurances from the minister who has carried this responsibility for such a lengthy period of time.

Hon. Mr. Grossman: And done it so well.

Mr. Nixon: That remains to be seen. The soil is still where he put it.

Mr. Charlton: Mr. Speaker, I have some concerns as well on this issue of the withdrawal of Bill 174, but not in the same vein as the member for Brant-Oxford-Norfolk. It was my impression last evening that the minister set out the time frame fairly clearly in which this matter would be resolved.

My concerns lie more in the area of what the formal process will be around the environmental study, both of the site and of the process of removing the soil. How will that environmental study be vetted once it is completed? Will that study be made public? How will we go through the process of vetting the environmental recommendations in that study? That is of far more serious concern than the day on which the excavation will proceed.

I have some concerns about the bill being withdrawn without some clear assurances that there will be a process in place to vet the environmental impact of the whole proposal.

Hon. Mr. Wells: Mr. Speaker, my friend was there last night. If some of my friends from the official opposition party had been there, they would have heard exactly where the site is. It is about a quarter of a mile from Steeles Avenue on Reeson Road, which is in the northeast section of the riding of Scarborough North.

Mr. Nixon: Right behind the zoo.

Hon. Mr. Wells: It is not right behind the zoo. It is probably a mile or so from the zoo.

Mr. Eakins: Is it in the minister's riding?

Hon. Mr. Wells: Yes, it is in my riding.

The date given was some time in late March or early April next year. As soon as the soil is ready, the removal will begin. It is a federal undertaking, so the environmental process will be carried on by the proponent, which is the office of low-level waste management through the federal Department of the Environment.

Motion agreed to.

INTRODUCTION OF BILL

PUBLIC SECTOR PRICES AND COMPENSATION REVIEW ACT

Hon. Mr. Grossman moved, seconded by Hon. Mr. Wells, first reading of Bill 111, An Act to provide for the Review of Prices and Compensation in the Public Sector and for an Orderly Transition to the Resumption of Full Collective Bargaining.

4:24 p.m.

The House divided on Hon. Mr. Grossman's

motion for first reading of Bill 111 which was agreed to on the following vote:

Ayes

Andrewes, Ashe, Baetz, Barlow, Bernier, Birch, Boudria, Bradley, Brandt, Breithaupt, Conway, Cops, Cousens, Cunningham, Davis, Dean, Drea, Eakins, Eaton, Edighoffer, Elgie, Elston, Epp, Eves, Fish, Gillies, Gordon, Gregory, Grossman, Havrot, Hodgson, Johnson, J. M., Jones, Kells, Kennedy, Kerr, Kerrio, Kolyn, Lane, MacQuarrie, Mancini, McCaffrey, McCague, McGuigan, McKessock;

McLean, McMurtry, McNeil, Miller, G. I. Mitchell, Newman, Nixon, Peterson, Piché, Pollock, Pope, Ramsay, Reid, T. P., Riddell, Robinson, Rotenberg, Roy, Runciman, Ruprecht, Ruston, Sargent, Scrivener, Shymko, Snow, Spensieri, Stephenson, B. M., Sterling, Stevenson, K. R., Sweeney, Taylor, G. W., Timbrell, Treleaven, Van Horne, Watson, Welch, Wells, Williams, Wrye.

Nays

Allen, Bryden, Charlton, Cooke, Di Santo, Foulds, Grande, Laughren, Lupusella, Mackenzie, Martel, Philip, Rae, Samis, Stokes, Swart, Wildman.

Ayes 83; nays 17.

Mr. Speaker: We are reverting to bills. The member for Port Arthur.

Mr. Foulds: I hope I can find it.

Mr. Speaker: I hope you can too.

Mr. Foulds: No; I ask permission to revert to bills in an hour.

4:30 p.m.

ANSWERS TO QUESTIONS IN ORDERS AND NOTICES AND RESPONSES TO PETITIONS

Hon. Mr. Wells: Mr. Speaker, I would like to table the answers to questions 29, 37, 38, 316, 318, 319, 320, 322, 323, 324, 325, 326, 327, 328, 329, 332, 333, 337 and 338, the interim answer to question 330 and the responses to petitions presented to the Legislature, sessional papers 156 and 175, all of these standing on the notice paper [see Hansard for Wednesday, November 9.]

Mr. Foulds: Mr. Speaker, could I engage the House's indulgence?

Mr. Speaker: Do we have the permission of the House to revert to bills?

Agreed to.

INTRODUCTION OF BILL

REMEMBRANCE DAY ACT

Mr. Foulds moved, seconded by Mr. Swart, first reading of Bill 112, An Act to provide for the Observance of Remembrance Day.

Motion agreed to.

Mr. Foulds: Mr. Speaker, the bill is intended to ensure that Remembrance Day is observed as a general holiday on November 11 under both the Employment Standards Act and the Education Act.

ORDERS OF THE DAY

THIRD READINGS

The following bills were given third reading on motion:

Bill 61, An Act to regulate Off-Road Vehicles;

Bill 85, An Act to amend the Crop Insurance Act (Ontario).

ROITMAN INVESTMENTS LIMITED ACT

Mrs. Scrivener moved second reading of Bill Pr9, An Act to revive Roitman Investments Limited.

Motion agreed to.

Third reading also agreed to on motion.

TOWNSHIP OF MATTICE-VAL COTE ACT

Mr. Piché moved second reading of Bill Pr39, An Act to continue the Corporation of the Union of Townships of Eilber and Devitt under the name of the Corporation of the Township of Mattice-Val Côte.

Motion agreed to.

Third reading also agreed to on motion.

ENVIRONMENTAL PROTECTION AMENDMENT ACT

Hon. Mr. Brandt moved second reading of Bill 52, An Act to amend the Environmental Protection Act.

Hon. Mr. Brandt: Mr. Speaker, I had spoken earlier to the opposition critics about changing the order and apparently that is not possible. With their concurrence we can proceed with Bill 52, as was originally placed on the order paper. I had suggested we move to Bill 51.

Today I am moving second reading of Bill 52, An Act to amend the Environmental Protection Act, which received first reading on June 2, 1983. The act is being amended to provide the ministry with improved capability to ensure delivery of effective abatement programs.

The amendments include provision of protection to employees who assist in enforcement of the legislation. A director will be empowered, subject to appeal, to issue orders to prevent pollution and to lessen the effects of discharges that may take place by requiring that equipment and personnel be available and appropriate procedures implemented. Assurance of finality of control orders once in place is achieved by a provision that closes a loophole that arose from a judicial decision which, in effect, conferred a right of appeal against a refusal to extend a control order.

I have a few motions to amend to be dealt with in committee. As a result of discussion that took place during my ministry's estimates, I have concluded that the protection to employees who assist in investigations should be extended to investigations by Ministry of the Environment staff proceeding under the Fisheries Act of Canada as well as under legislation administered by my ministry.

As a result of a decision by the Ontario Court of Appeal on October 17, 1983, to which I referred when we discussed this bill previously, I intend to move an amendment to provide that the authority to make an order under the act includes the authority to require the person to whom the order is directed to take such intermediate action or such procedural steps, or both, as are related to the action required by the order and as are specified in the order.

I will be making a few other motions to amend in committee to clarify provisions in Bill 52 as well.

Mr. Elston: Mr. Speaker, we have these amendments placed by the Minister of the Environment as he then was in June. At that point we welcomed some of the steps that were to be taken, because in the amendments to this piece of legislation we see the incorporation of some of the material we as a party have been requesting for some time. Included in that are the amendments dealing specifically with the item of protection of employees who do report the questions—

Mr. Laughren: The community party or the Liberal Party?

Mr. Elston: Mr. Speaker, the gentleman at the end of the row down there is confused again, as those people often are. Unfortunately for us in the Legislature, we have to put up with their nonsense. This, of course, is one of the times when they figure they have to enter debates on a very low level.

The Deputy Speaker: It is always good advice to just ignore the interjections.

Mr. Elston: We will ignore them, even though the government pays them to be here in numbers even larger than they really are. In any event, we will continue and deal with the amendments before us.

It is interesting to go through this bill and see the results of continued and persistent activity on the part of the opposition party, including some members down there who know a little bit about the environment, but more specifically with respect to amendments suggested by the Liberal Party and by my predecessors as Environment critics.

In particular, I want to note that although a good number of these amendments are worth while they do not go the full route in providing the type of coverage for the environment, the environmental protection which we as a party see necessary for this province.

4:40 p.m.

We would have been much happier had they fully supported a bill which I had introduced and which a former leader of the Liberal Party had introduced, and that is the environmental rights bill. It includes a good number of items which would—

Mr. Martel: I hope you are going to move the amendments.

Mr. Elston: The poor man down there does not understand there are amendments which would be better put and that—

Mr. Martel: I understand perfectly well about moving amendments.

Mr. Elston: The member should be quiet. He does not know what he is talking about.

The Deputy Speaker: Order. It is still good advice to the member to ignore the interjections.

Mr. Elston: He obviously does not understand the sensitivity of the environmental issues and what could have been done with this piece of legislation had there been incorporated in it some of the other material from the environmental rights bill we introduced before.

There are one or two sections that will be coming into this bill, and I welcome those inclusions. I would have preferred if in the amendments as well there had been a proposal by the minister to include a freedom of information section which would allow people access to the types of information which are necessary if he is truly and fully going to be able to come up with a full-scale environmental protection bill.

With those few opening remarks and criticisms about the scope of the bill, I welcome the second reading proceeding, along with the passage of several of these amendments.

Mr. Charlton: Mr. Speaker, I rise in support of Bill 52. However, there a few comments I would like to make. I suppose as good a place to start as any is where the member for Huron-Bruce (Mr. Elston) left off in his comments. Obviously, the case is very clear that it is he who does not understand the environmental process that has gone on in this Legislature.

Mr. Nixon: That is highly unlikely.

Mr. Charlton: We are happy that the Liberal caucus in 1980 finally got on side in terms of issues such as the protection of employees for giving information and for taking action under the Environmental Protection Act. This party and this caucus moved amendments to that effect starting in 1973. The environmental rights bill which the member referred to as being moved by his leader was a bill that emanated out of and was much weaker than the environmental Magna Carta moved by my colleague the member for Beaches-Woodbine (Ms. Bryden) some time prior to the movement of that rights bill.

It should be clear on the record that we do not mind the Liberals coming second in realizing the importance of issues. They can continue to come second for as long as they want, but the record should be clear that those issues are the issues of this party and were raised by the members of this caucus a good seven years before they were raised by the Liberal Party.

We are happy to see the protection the minister has built into this bill for employees. However, there are some sections of this bill which are still somewhat inadequate. For example, we have dealt at great length in this bill with the Environmental Appeal Board, but we have failed in all the clauses where we have dealt with it to deal with one of the basic problems with the appeal board. As the act is at present constituted, the only person who has a right to appeal to that appeal board is a proponent or an opponent. A citizens' group does not have the right to appeal under this piece of legislation.

I am sure the minister can see and understand the folly of that in terms of the overall fairness of the process. It is still a one-sided system which is not adequate to serve the people of Ontario. We are in a position where we cannot move that amendment here today because the appropriate subsection of the appropriate section is not

before us, although the appropriate section is. However, since the minister is going to be moving a number of amendments himself, perhaps through the course of this process he could seriously consider opening up that appeal process and making it as fair as the other kinds of appeal processes we have dealt with in this Legislature, because it is a very important issue in the overall protection that is provided to the public. Their right to appeal has to be there.

There are a couple of other issues I would like to comment on. Basically, the bill is a companion to Bill 51, which we dealt with last week. I can agree with the amendments that set out the appeal process around control orders being a stay, except where the control order is a stop order or an order requiring monitoring.

On the other hand, we again have this undefined ability of the minister to remove a stay or to allow the removal of a stay in other circumstances as well. We somewhat question what the definitions will be that will govern the minister's ability to allow other exemptions to the stay section. We feel a little uncomfortable, as we always do, in dealing with powers that are bestowed on a minister without defining clearly the terms and/or guidelines under which those powers will be exercised.

It is not a major problem. We are not going to oppose the bill as a result of it, but I certainly would like very seriously to hear some comments from the minister about what the intentions of the additional exemptions may be. What areas is he thinking about? Why did he put that clause in these two bills? We would like to get an indication of what his intent is.

The Deputy Speaker: The Minister of the Environment.

Hon. Mr. Brandt: Mr. Speaker, to move on to subsection 1(2), I move that clause 1(1)(ca) of the act—

Some hon. members: Wait a minute.

The Deputy Speaker: I was inviting the minister to make any wrap-up remarks on the debate for second reading.

Hon. Mr. Brandt: Oh, I am sorry.

The Deputy Speaker: Then we will complete second reading and we will be going into committee, where presumably you will be putting your amendment. Do you have any comments at this time?

Hon. Mr. Brandt: No, Mr. Speaker. I will deal with the individual comments raised by both of the critics as we deal with those amendments.

Motion agreed to.

Bill ordered for committee of the whole House.

House in committee of the whole.

ONTARIO WATER RESOURCES AMENDMENT ACT

(concluded)

Resuming consideration of Bill 51, An Act to amend the Ontario Water Resources Act.

On section 2:

Hon. Mr. Brandt: Last week the committee carried a motion to amend clause 42a of the Ontario Water Resources Act, as enacted by subsection 2(1) of the bill. This section deals with the administrative or overhead charges.

4:50 p.m.

This afternoon I will be moving a further amendment to clause 42b of the act dealing with the method of billing. I will also be moving an amendment to section 3 of the bill to provide for a notice and comment procedure prior to any regulations being made with respect to the administrative or overhead charges.

Before moving the first motion, I would briefly like to recapitulate the purposes of clauses 42a and 42b so there will be no confusion between these two amendments. First, in 42a, which we have dealt with, existing agreements permit the municipalities at this time to be charged administrative costs. This was not brought out clearly in our discussion of last week. As a practical matter it would be difficult and expensive to apportion these costs to each municipality on an accurate basis if done individually. If these costs were divided on an accurate basis, they would tend to impact more severely on the smaller municipalities.

Some costs, such as Workers' Compensation Board costs, are incurred on an irregular basis and could have a severe impact on any municipality in a particular year. The new clause 42a will permit these costs to be aggregated and divided among all municipalities in a fair manner. This can be on the basis of a percentage of their operating costs or on any other fair basis set by the regulations.

Last week's amendment makes it clear these additional charges tend not to be related to costs incurred for the specific sewage or waterworks in question. I will be moving an amendment later this afternoon to provide that any regulation related to this section will be subject to a notice and comment procedure. This is to build in an element of fairness and balance with the municipalities in case there are any prob-

lems or concerns they have with respect to the regulations once they are finalized. This will give any affected municipality an opportunity to make representations in the event any proposed regulation would appear to affect the municipality unduly or unfairly.

Clause 42a will result in municipalities paying the full costs of water and sewage services, including administrative costs which are allowed under legislation now. Therefore, it will remove a disincentive to municipalities taking over direct operation of sewage or waterworks provided by the province.

Because the costs will be split among all municipalities, some will be paying more and some less than they would if the costs were accounted for on a project-by-project basis. We anticipate the first proposed regulations will be published in the Ontario Gazette and distributed to affected municipalities in time for the regulations to be in force during the 1985 calendar year.

I will now deal with the new clause 42b in a motion I will be making to amend that.

Mr. Chairman: The minister may wish to put the motion and then make his comments after.

Hon. Mr. Brandt: All right. We have already dealt with 42a. If you wish the motion on 42b, I can put that now.

Is that your wish, sir?

Mr. Chairman: Yes. You say 42a has been carried?

Hon. Mr. Brandt: Yes, 42a has been carried.

Mr. Elston: Mr. Chairman, I have a question with respect to the statement made by the minister.

Can he tell us how many municipalities are now being subsidized? He would have put it that way, I suppose, if one capsulizes those statements. How many are paying more than they really should at this time? Can he tell us how many of those municipalities he hopes this legislation will encourage, to put it mildly, to take over the operation of their systems and how much this might be anticipated to cost them in taking over the operation.

Mr. Chairman: Perhaps the minister would like to respond to that. Then we will move to 42b.

Hon. Mr. Brandt: Yes, Mr. Chairman. There were a number of questions there, and I will try to answer them all if I can.

First of all, all municipalities that have systems that are at present operated by the province are, in effect, not paying the administrative

charge or the operating overhead charge that is provided for by the province at this time. I cannot give the member a specific number; perhaps I could get that from the staff.

But the reality is that all of them have a factoring that is allowed under existing legislation, which is built in but is very difficult to assess in direct cost because of the reasons I have discussed earlier. It is extremely difficult to assess in a fair and equitable way the allocation of time, as an example, for the head office or for any of the district offices or regional offices, and also where we have time allocations specifically allotted to a given project. So the answer to the first part of the question the member raised is very simply that the administrative costs are being absorbed by the province at the present time.

It is not anticipated that this cost will be any more than a five per cent factor. I am talking about five per cent in the administrative overhead. Once that is blended into the total cost of the operation, I have not seen one yet that would exceed perhaps two or 2.5 per cent of the existing operations. In other words, by the time one blends in that cost, it would be up about 2.5 per cent in terms of the blended cost over the whole system. But in doing it that way, as I indicated before, we do protect those small municipalities against a large increase.

All we are doing is charging the administrative cost that is built in now. It is impossible to allocate those costs now on an individual basis; it must be on a blanket basis across the province. I cannot give the member a specific number on what that amount might be, although I can tell him from the response I have had from the staff in their review of this entire situation that it really is a relatively small amount of money, considering the entire province. I would say it is in the range, maximum, of \$2 million over the total system, that is blended across the entire province.

Mr. Elston: Mr. Chairman, I wonder if the point of the discussion really is that the blending of these payments, or charging a blended administrative cost to all these small municipalities, is to be encouraged, or is eventually to be discouraged and then have these municipalities take over the operation of these facilities. Is the minister anticipating an extra call by those municipalities for funding to support the operation of their facility, or is he looking at their getting the extra dollars from the taxpayers of their municipalities?

Hon. Mr. Brandt: Mr. Chairman, first of all, we are encouraging more local autonomy, which anyone who has operated at the municipal level, like our colleague from the Waterloo riding, would know is something that has been going on for some time and something I would personally encourage.

In regard to where they would get any additional funding that would be required, it will be an extremely small amount of money in any individual system. If the municipalities—and I have heard them say this before—can operate the system more efficiently than those guys at Queen's Park or those guys at the Ministry of the Environment with its big head office at the corner of St. Clair and Avenue Road, they can take over the system. That is what we are trying to build in here as an encouragement or an inducement for the local municipalities to take over the system.

We have built in, by way of a bit of a fail-safe in the legislation that is being proposed, an opportunity for notice and comment on the part of the municipalities if they feel they are being unfairly dealt with. There is that opportunity for them to respond to the ministry if they sense that the charges are too high. There is an appeal process that is built in. We anticipate there is going to be a problem in some areas where right now there are some municipalities that are receiving an unfair benefit and are not paying for the true cost of the operation of that system.

5 p.m.

Mr. Elston: If the minister will be encouraging all municipalities, whether large or small, I take it, to take over these systems, I wonder whether during the formative period for these facilities it will be possible to have a more direct liaison with those municipalities so they can be sure the costs they are going to be taking over, and the operating costs they are going to be taking over in terms of funding interest charges and things, will be well known to them rather than being a surprise at the time the keys are turned over by the ministry to the local officials.

Hon. Mr. Brandt: There will be sufficient lead time built into what we are proposing to give them that kind of pause so they can reflect on what might happen to them a year or two down the road.

Specifically, in response to one of the member's earlier questions, the intent is to have some of the larger systems taken over by the municipalities, as opposed to the smaller systems. There may well be in the province some smaller

systems that will be operated by the province from now ad infinitum, because the expertise may well not be available to the municipalities, at least on a cost basis that makes any sense.

Essentially, this legislation and the administrative cost I am talking about is directed at the larger municipalities to buffer the smaller ones against those large increases. The likelihood of some of the smallest systems being taken over by the smaller municipalities is remote at this time. In all probability it will not happen for the next decade, as I see the timing at the moment.

Mr. Chairman: Hon. Mr. Brandt moves that subsection 42b(4) of the act, as set out in subsection 2(1) of the bill, be struck out and the following substituted therefor:

"(4) The crown may determine the amounts due under an agreement on an annual basis for principal, interest and operating and other costs instead of on the basis of volumes and may require payment of the amounts annually or by way of more frequent periodic payments.

"(5) The provisions of an agreement that apply in respect of a petition to the Lieutenant Governor in Council in respect of a rate apply with necessary modifications in respect of an amount determined under subsection (4)."

Does the minister have any remarks on this amendment?

Hon. Mr. Brandt: No, not at this time.

Mr. Chairman: Does any member wish to speak to the amendment?

Mr. Rotenberg: Carried.

Mr. Elston: There is a very anxious member in the chamber.

Mr. Chairman, I want to make a couple of remarks to put on the record some of the concerns that have arisen. I appreciate the reasons for bringing this amendment into the House. There are a good number of municipalities, as discussed with the minister in estimates, that are very concerned about the calculation of costs and how the whole system works, particularly in the light of the fact that we are getting very large percentage increases on the rates that are being charged to municipalities. That has occurred even in these days of restraint.

In many ways, although we are providing the new means and a new ability to calculate and deal with those rate questions, I hope the minister can appreciate it will be well if he can do his best to hold any increases in those charges and costs to a satisfactory level with a view to the overall restraint program. Perhaps he would like to comment on that and tell us

how he plans to work that part of restraint into the very practical and day-to-day operation of these facilities in Ontario.

Hon. Mr. Brandt: First, Mr. Chairman, we would operate on a cost-recovery basis, but I want to assure the member for Huron-Bruce that as a result of the changes we are proposing here we are removing the uncertainty in the rate setting process. It now extends, sometimes, over a three-year agreement and on other occasions over a five-year agreement, which causes even more of a disruption for municipalities.

By getting away from the volume measurement—in other words, the amount of water used in some instances—and with the annual rate charge being proposed here, the municipalities will be in a position to know what the bill will be a year in advance. We cannot give them that assurance now. As the member well knows, in some instances, because of weather conditions, the usage of water can go up or down quite dramatically. When that happens, the residents of a particular municipality are left with whatever extreme conditions may arise with respect to what the overall costs of operating that system are related to the total volume of the system.

I want to assure members that we are bringing in these amendments with the municipalities in mind. We are not doing it to pull a fast one on them or to assess them additional charges. We are trying to give them a very clear picture of what their operating costs are going to be for the next 12-month period.

I might add that there is a provision within this amendment for periodic payments. Because of its particular financing a municipality may want to make a payment on a monthly basis or on a quarterly basis, whatever. That is the kind of arrangement that can be made with the ministry.

I want to assure members again that the intent of this is to remove the uncertainty from a municipality. At this point, the uncertainty is built into the process in many instances with the three- and five-year agreements. We have them built with a volume factor included in the process; but sometimes, despite the best intentions on everybody's part, there are some of those very large increases which the member for Huron-Bruce is referring to. We hope that is not going to happen now as a result of this.

Mr. Charlton: Mr. Chairman, I do not have any serious concerns with these two subsection amendments proposed by the minister, but I just want to raise a question.

During the course of his comments, the minister has alluded to the global adjustments that will be made in an effort to try and make the adjustment payments a little fairer. He has alluded to the fact that he thinks in most cases that will work to the advantage of the smaller municipalities over and against the bigger ones. I do not think any of us would disagree with that.

I would like to know whether the ministry has developed formulas that indicate that is true, or is that still to be done? What approach is he taking to this that indicates to him that those things will happen? What is he basing those comments on? If we vote on this amendment based on the perception that there is going to be an adjustment that will make things fairer across the board or across the province and likely it will be the smaller municipalities that will benefit, what is he basing those comments on? I ask so we can feel comfortable with supporting a concept which we obviously support.

Hon. Mr. Brandt: First, Mr. Chairman, the administrative charges, I have indicated, would be blended in a fair and equitable way. If the municipality feels that is not the case and if the kind of unfair horror story that the honourable member may be envisaging could conceivably happen, we have built a notice, comment and appeal process into the bill to give a municipality an opportunity to respond if it is being unfairly treated.

In an instance where the municipalities feel the province is overcharging—that is obviously what the argument would be at some point during the course of the process; they would say the province is “making money on us” or “taking advantage of us” in some fashion—then the municipalities have the opportunity to operate the system themselves. But they cannot have it both ways.

I am sure the member can understand that. The municipalities cannot say, “To operate the system through the province is costing us far more than we can afford, but we do not want to operate it ourselves either.” There has to be a reasonable cost assessed against the system or they can take the system over.

5:10 p.m.

Mr. Charlton: I am not disputing the minister's intent. His intent has been clear in his comments. Is there something—a mechanism or formula—already in place which will go into effect immediately to do this blending when we pass this bill? That is what I am asking. Is it just conceptual at this point? Is it the minister's

intention to find a way to do the blending to accomplish what he is expressing now, or has a formula already been developed?

Hon. Mr. Brandt: A specific formula has not been developed. That would be included in the regulations that would be drafted. I have agreed to discuss those with the member at the time of drafting the regulations. That may cover the concerns he is raising. What we are talking about now is perhaps a philosophical application to the way in which it would be handled.

Mr. Boudria: Mr. Chairman, I want to take a few minutes with the minister and bring to the attention of the House a question I have with regard to the rate in Hawkesbury, in my constituency.

A day or so ago I sent the minister the present rates charged for sewage in Hawkesbury. Industries in the town are paying, I believe, a rate of 76 cents per 1,000 gallons. Some of the larger industries are paying in the order of \$40,000 to \$50,000 a year.

The minister is aware that the same community suffered a 20 per cent decrease in its assessment this year. The decrease was caused by a closure of the town's largest employer, the Canadian International Paper mill. It was also the largest user of the sewage plant and those other facilities as well.

The fact they have shut down means there are fewer contributors paying the sewage rate. The net effect is that the clerk of the municipality informs us the rates for next year will be \$1.02 per 1,000 gallons. That is an increase of between 30 and 35 per cent. That creates a situation whereby it is very difficult to attract new industries, or it is certainly more difficult than if the rate were lower.

I want to know whether the provisions the minister is addressing now would possibly help Hawkesbury or other communities like it throughout the province that are faced with this very serious problem. I am wondering what assistance would be possible in this way. Would this mechanism give the minister an opportunity to assist Hawkesbury with that kind of problem?

Hon. Mr. Brandt: In fairness, Mr. Chairman, I do not believe the legislation and the amendments being proposed here would address the kind of problem which has arisen in Hawkesbury. I share the deep concern the honourable member has indicated to me both privately and in the House today with regard to the economic downturn that has occurred in Hawkesbury as a result of the closing of a vital and important

industry. I can only say that I have spoken to the Minister of Municipal Affairs and Housing (Mr. Bennett) and we will get back to the member with respect to a more comprehensive and co-ordinated response on the part of our ministries.

One has a very fundamental and serious problem when the town's major industry closes and leaves people holding the bag, not only with respect to sewage charges but also with respect to the community's assessment. I do not think this kind of legislation, even though it is an improvement for municipalities the size of Hawkesbury under normal conditions, can address the kind of problem the member is raising at this point. I wish it were so, but I would be misleading if I were to tell him the answers are in these amendments.

Mr. Boudria: Is the minister indicating that he is looking at the Hawkesbury problem with his colleague the Minister of Municipal Affairs and Housing? If so, could an answer be forthcoming in the near future?

I realize the situation where people in a community are attempting to secure new industries is often contingent upon the fees industries have to pay, whether they be taxes, water rates or sewer rates. Those are the factors, along with the price of the labour force, that either make an industry move to a community or make it decide to move elsewhere.

The minister may be aware that in the past few months there was a rumour that a company based in Ste. Thérèse, Quebec, known as Minasco Aerospace, would move from that area and establish itself in Cornwall. We want the people of Cornwall to have lots of employment, but as the member for Prescott-Russell, I would like them to come to Hawkesbury first and elsewhere in the province second. They did not come to Hawkesbury; they eventually chose Cornwall.

Whether those fees had anything to do with it, I am not sure—probably they did not in this particular case, because they wanted an existing plant of a given size that happened to be there—but there are certainly many examples of industries attempting to move where it would make a difference.

In conclusion, whatever the minister can do—and the sooner the better—it will be appreciated by our community, because we have a very serious problem.

Hon. Mr. Brandt: We are working on it. I will get back to the member as soon as possible. I cannot make any promises at this time, but I

share his concern, as does my colleague. We will do what we can within our limitations to assist in any way possible.

Motion agreed to.

Section 2, as amended, agreed to.

On section 3:

Hon. Mr. Brandt: I have a rather lengthy amendment.

Mr. Chairman: Mr. Brandt moves that section 44 of the act, as amended by subsection 3(5) of the bill, be further amended by adding thereto the following subsections:

"(5) Before the Lieutenant Governor in Council makes a regulation under clause 1(k), the minister shall cause notice of the proposed regulation to be published in the Ontario Gazette.

"(6) A notice under subsection 5 shall set out the text of the proposed regulation and shall request that comments, briefs and submissions thereon be filed in writing with the minister within 60 days after the date of publication of the notice or within such longer period as is specified by the minister in the notice.

"(7) Upon expiry of the period for the filing of comments, briefs and submissions, the minister may recommend the proposed regulation to the Lieutenant Governor in Council with or without changes in the text.

"(8) Where the minister intends to recommend the proposed regulation with changes in the text,

"(a) the minister need not publish a further notice under subsection 5;

"(b) the minister shall cause notice of the changes in the text to be published in the Ontario Gazette; and

"(c) the minister shall not recommend the proposed regulation to the Lieutenant Governor in Council until at least 30 days after the date of publication of the notice under clause (b).

"(9) Subsections 5 to 8 apply to a regulation that amends or repeals a regulation.

"(10) The minister shall cause a copy of each regulation made under clause (1)(k) to be sent to each municipality or other person with whom the crown has an agreement for the provision or operation of a sewage works or a waterworks or the provision of sewage service or water service."

5:20 p.m.

Hon. Mr. Brandt: I have no comments at this time.

Section 3, as amended, agreed to.

Hon. Mr. Brandt: There are no amendments to sections 4, 5 or 6.

Sections 4 to 6, inclusive, agreed to.

On section 7:

Mr. Chairman: Mr. Brandt moves that the bill be amended by adding thereto the following section:

"7(1) The said act is further amended by adding thereto the following section:

"65(1) In this section,

"(a) 'make' includes issue or give;

"(b) 'order' includes direction, requirement, report or notice.

"(2) The authority to make an order under this act includes the authority to require the person or body to whom the order is directed to take such intermediate action or such procedural steps or both as are related to the action required or prohibited by the order and as are specified in the order.

"(2) Section 65 of the said act, as enacted by subsection 1, applies in respect of every order made under the said act whether or not the order was made before this section comes into force."

Mr. Brandt further moves that sections 7 and 8 of the bill, as printed, be renumbered as sections 8 and 9 respectively.

Hon. Mr. Brandt: Mr. Chairman, this part of the bill has been discussed earlier and effectively puts in place the mechanism that is required by the ministry to phase environmental abatement programs in the case of an industry that is under an order and where we have had some difficulty as a result of a recent court decision.

I believe the opposition critics are familiar with what happened in the particular instance and this is simply to plug an existing loophole that we feel is essential if we are going to enable the ministry to move in and to do something about a potentially harmful environmental problem, or where the existing legislation can be used in terms of the appeal process as a delaying tactic. This amendment hopes to overcome that.

Mr. Elston: Mr. Chairman, just to confirm what was stated earlier by colleague the member for Kent-Elgin (Mr. McGuigan) when he addressed some remarks on second reading, I guess we are aware that in putting a measure like this into place we always have to weigh the question of our due process experience here in Ontario. At some point or other, when it comes to the public interest in protecting the environ-

ment, we have to measure whether the arming of a public official with heavy-handed powers is warranted.

At this stage, I only want to comment that it is time we go with the necessary steps required to protect and preserve the environment. It is all too evident to us that trying to regenerate after the fact something that has been destroyed is not only expensive but is almost impossible in a number of situations.

We have seen other examples, as the minister alluded to, where a continuation of an operational practice by a citizen of the province has continued to degrade the environment at a time when all available legal methods were exhausted. Perhaps it has done nothing more than cost a fair number of dollars and, in addition, cost the people of Ontario a healthy environment. It is in that sense and with those concerns expressed and registered on the record that we are in support of the closing of this loophole.

Section 7, as amended, agreed to.

Sections 8 and 9, as renumbered, agreed to.

Mr. Chairman: Shall the bill, as amended, be reported?

Mr. Elston: Mr. Chairman, I just want to speak for a second to bring to the attention of all members who might have missed the significance of clause 42(b) that during the controversy which rages in the national capital with respect to units of measurement, we have again incorporated the metric system in the operations of Ontario. It slipped by us without being noticed. I know the Minister of the Environment would want the public of Ontario to know that he, at least, is in support of the federal folks in Ottawa who are enforcing the adoption of metric units in the everyday life of the province.

Mr. Chairman: Order. I am sure if the minister had wanted to bring that up he had every opportunity to do so.

Hon. Mr. Brandt: For the record, it is optional. Bill, as amended, ordered to be reported.

ENVIRONMENTAL PROTECTION AMENDMENT ACT

Consideration of Bill 52, An Act to amend the Environmental Protection Act.

On section 1:

Mr. Chairman: Hon. Mr. Brandt moves that clause 1(1)(ca) of the act as set out in subsection 1(2) of the bill be amended by inserting, after

"used" in the first line and in the second line, "alone."

Motion agreed to.

Section 1, as amended, agreed to.

5:30 p.m.

On section 2:

Mr. Chairman: Mr. Brandt moves that subsection 1(a) of the act as set out in section 2 of the bill be amended: (a) by striking out, "at a location not within the building or structure," in the third and fourth lines and inserting in lieu thereof, "in another building or structure;" and (b) by striking out, "at the location not within the building or structure," in the sixth and seventh lines and inserting in lieu thereof, "in the other building or structure."

Section 2, as amended, agreed to.

Sections 3 to 5, inclusive, agreed to.

Mr. Elston: Mr. Chairman, I would like to raise a point of order if I might. It would make it an awful lot easier for us if the people who are assisting the minister would make these amendments available to us beforehand. If we could have the amendments prior to the reading it does help us to see exactly what wording is going in there. Rather than bringing these things to us after the fact, I wonder if it would not be a bit more helpful to have them in advance.

Hon. Mr. Brandt: The staff will accommodate the request of the member for Huron-Bruce. Certainly from a logistical standpoint, it would assist both myself and the members of the opposition to follow along. We are always totally fair.

On section 6:

Mr. Chairman: Mr. Brandt moves that subsection 17(2) of the act, as set out in section 6 of the bill, be amended: (a) in clause (a), by inserting after "or" in the fourth line "from or on the;" (b) in subclause (b)(i), by inserting after "or" where it occurs the first time in the third line "from or on the;" and (c) in subclause (b)(ii), by inserting after "or" in the fifth line "from or on the."

Section 6, as amended, agreed to.

Sections 7 to 19, inclusive, agreed to.

On section 20:

Hon. Mr. Brandt: Before I proceed, may I ask if the material has been provided?

Mr. Chairman: Hon. Mr. Brandt moves that section 127 of the act, as amended by section 20 of the bill, be further amended by adding thereto the following subsections:

"(1b) Upon application with notice by the owner or the person who had the charge, management or control of a thing detained by a provincial officer, a justice of the peace may make an order for the release of the thing detained to the person from whom the thing was seized where it appears that the thing detained is no longer necessary for the purpose of the administration of this act and the regulations.

"(1c) An appeal lies from an order or refusal to make an order under subsection (1b) by a justice of the peace in the same manner as an appeal from a conviction in a proceeding commenced by means of a certificate under the Provincial Offences Act."

Mr. Elston: Mr. Chairman, I wonder if the minister would comment on the definition of "thing detained" and allow for the types of testing on this thing that this provincial officer might be conducting.

Hon. Mr. Brandt: Mr. Chairman, the intent here is to make a provision within the act so that if there is a seizure of material—a "thing" the way it is defined in the act—that is required for an investigation, the mechanism that is proposed here is that over a reasonable period of time it must be returned to its rightful owner if it is no longer required for the purposes of the investigation.

We did not have that before. Something could be seized and could be kept for an indefinite period of time. This builds in an element of fairness with respect to the party who may be under investigation.

Mr. Elston: My real point in asking is whether "thing" is definite enough to provide the boundaries that the minister is looking for in an examination of the substance or whatever it might be that he is retaining. The question is with respect to whether the word "thing" is what he really requires, or whether he should have other words in there as well to broaden and encompass a number of items or substances or whatever.

Hon. Mr. Brandt: My understanding is that the definition of the word "thing" is relatively all-encompassing and would cover the kinds of things that would come up in the course of an investigation. According to the best advice I have from my most capable legal staff, they have advised that this is appropriate for the requirements we might have during the course of an investigation.

Motion agreed to.

Mr. Chairman: Hon. Mr. Brandt moves that section 20 of the bill be amended by adding thereto the following subsection:

"(2) Subsection 127(2) of the said act is amended by inserting after 'air' in the fourth line 'or to detain or remove any thing;' and by inserting after 'thereon' in the sixth line 'to detain or to remove any thing.'"

Motion agreed to.

Section 20, as amended, agreed to.

Section 21 agreed to.

On section 22:

Mr. Chairman: Hon. Mr. Brandt moves that subsection 134b(2), as set out in section 22, be struck out and the following substituted therefor:

"(2) No employer shall,

"(a) dismiss an employee;

"(b) discipline an employee;

"(c) penalize an employee; or

"(d) coerce or intimidate or attempt to coerce or intimidate an employee, because the employee has complied or may comply with,

"(e) the Environment Assessment Act,

"(f) the Environmental Protection Act;

"(g) the Fisheries Act (Canada);

"(h) the Ontario Water Resources Act; or

"(i) the Pesticides Act,

"or a regulation under one of those acts or an order, term or condition, certificate of approval, licence, permit or direction under one of those acts or because the employee has sought or may seek the enforcement of one of those acts or a regulation under one of those acts or has given or may give information to the ministry or a provincial officer or has been or may be called upon to testify in a proceeding related to one of those acts or a regulation under one of those acts."

5:40 p.m.

Hon. Mr. Brandt: I appreciate the input provided by my colleague's office on the amendment proposed on section 22. We had a very thorough and complete discussion of the need for this particular amendment during the course of the estimates. I think it is a very good indication of the democratic process working in this House. The opposition parties have proposed—I am not going to give specific credit to one or the other, but the reality was that it was unanimously endorsed. I appreciate those kind of recommendations and we try to accommodate them where they make sense, as this amendment does in this particular bill.

Mr. Elston: My only question really deal

with, as I had raised before I saw the amendment, the broadening of the application of the particular section to the Canadian act, the Fisheries Act. Rather than appearing to deal specifically with the act, I wonder whether it should have been worded so that this section deals with the enforcement of the act, which is part of the provincial purview.

I do not know whether that constitutional question was discussed fully with the minister's staff, but it would appear that somehow this provincial legislation is affecting the federal. I think it should be made clear, or perhaps it may or may not need to be made clear, that we are really only talking about protecting an employee who complies with the investigation by a provincial officer or the enforcement abilities under a system of delegation of enforcement that has come down from the government of Canada.

I raise that only as a question now so we can be assured a constitutional question will not be brought forward which may jeopardize this section and, as a result, cause a whole series of difficulties with the enforcement of other parts of this. That is the only reason I raise that now.

Hon. Mr. Brandt: We may well not know the bottom-line answer to that particular question until such time as there is some form of a challenge before the courts on the question raised by the honourable member. Let me just assure him that we know we are on safe ground with respect to laying charges under that particular act and, in fact, we did so in the Spanish River matter. The intent, as the member is well aware, is to protect employees who may provide information to the ministry operating under those particular charges as they relate to the Fisheries Act. My only comment is that I believe we are on constitutionally safe ground, but it has not been tested or proven at this particular point.

Mr. Charlton: Mr. Chairman, I think I would agree from my reading that the proposed amendment by the minister is just dealing with an employee who takes some action under the Fisheries Act or provides information about an offence under the Fisheries Act so that charges can then be laid. I do not see any problem of this section interfering with the actual operation of the Fisheries Act itself. I certainly welcome and support the amendment.

I do have one question for the minister. I assume in preparing this amendment he has looked at all the possible problems around employees taking environmental action on and under a number of pieces of legislation. I ask the

minister whether he considered at all the Occupational Health and Safety Act, which has a connection to the extent that an action taken under that act or a complaint or issue raised by an employee under that act may also have application under one of these other acts in the context of a pollutant escaping from an industrial premise or being poured down a sewer or whatever.

That employee may have made a comment or given information under the Occupational Health and Safety Act as opposed to one of the environmental acts. I do not know whether there is any problem there. I am just raising that to see if perhaps we should be adding that one piece of legislation to the list. I do not know the answer to that.

Hon. Mr. Brandt: The answer is simply this: at the moment there is no point in building duplications into this legislation. The specific question the member for Hamilton Mountain raises, as it relates to occupational health and safety, is more than adequately covered by the legislation under which my colleague the Minister of Labour (Mr. Ramsay) operates.

The provisions of that act give coverage for certain situations the member is well aware of. In relation to an environmental matter, we have now provided new coverage for employees' security in this legislation. It is not really required that we cover matters beyond the scope of environment, other than in the area of the federal Fisheries Act to which we have already alluded.

Mr. Elston: I have one further matter under this section while we are here. It refers to a matter that was raised by the member for Sudbury East (Mr. Martel) during the estimates and deals with a problem a little further down the line from the actual employer-employee situation where there is a contractor's employee on the site. I feel this section would deal with the situation where the employee was fired by the contractor, but in essence, if the pressure came from the company that owned the actual facility, there is no means of getting back to alleviate that pressure.

I do not know how to prevent us from getting too complicated in this matter, but it is not beyond the realm of possibility that there might be a situation where, for example, X Forest Products has hired Joe Concrete Worker and his employees, to put a lot of pressure on the concrete workers not to report matters or at least to dismiss people who would like to report violations. This section would provide an

employee of the concrete company with a way of receiving some restitution or removing a dismissal, but there is no way of going from the concrete company back to the actual owner of the site. I wonder if the minister considered that scenario and whether it would overly complicate matters to take that extra step to get to the originator of the coercive forces.

Mr. Martel: Mr. Chairman, could I just comment as well? The difficulty, as my friend outlined, is even further compounded by the fact that many of the people who work for a construction company are hired by the hiring hall practice. In other words, if a company needs a few new employees, it goes to the union, if there is one, and hires someone the union puts forth through the hiring hall practice. If there is no union, of course, it is different.

5:50 p.m.

The fear I have is that a company could simply blackball a worker and no one would be prepared to hire him. All kinds of excuses could be used for not hiring Joe Jones because he reported this incident. Whenever his name came to the top of the list, he would be excluded. The company could simply say: "We do not need anybody at this time; we are not proceeding with the job," and the fellow who has reported the incident is out of luck.

It is a very difficult area and I am not sure how we are going to get around it, but unless we get around it in the case I outlined in committee—very carefully I might add—the possibility is there. The minister and I talked later on about the difficulty of trying to resolve it. I hope he can indicate if there is any possible way to do this. There must be a way of protecting those people who are in the construction field and are hired through the hiring hall practice.

Hon. Mr. Brandt: In putting these amendments together, we intended to cover all employees who could in any conceivable situation provide information to the ministry under any of these acts that would assist us in carrying out our mandate, that is environmental protection. Quite obviously, the direct employees of the firm would be covered.

There is a hazy area as to whether or not a third-party employer who is one step removed comes under the same conditions that are outlined here. Frankly, I cannot respond to the member on that right now. It is certainly our intent to cover a construction worker, for example, who would be on site and would be the employee of someone who had contracted or

even subcontracted the job out. We intended that employee would be covered as well. I am sure the member realizes it is much more difficult to get at that party the further removed he is from the principal company itself.

However, we have proposed here that a very high percentage of all employees in a position to expose a company that was operating in some inappropriate fashion would be covered. This would constitute a vast number of employees.

I will get clarification in regard to that other area. I agree it is perhaps not as clearly defined. We know there are provisions in acts the Ministry of Labour operates under that do cover some cases where there could be an inappropriate dismissal of an employee. The only thing I can say is it will cover the vast percentage of employees directly hired by the initial company.

Mr. Martel: I would like to comment again briefly on something the minister has just said. Even the Minister of Labour has difficulty with this aspect of his own legislation under health and safety. There was a report prepared for the royal commission on asbestos by a man named Doern of Carleton University. He interviewed the Minister of Labour's staff. They felt they had great difficulty protecting those employees who were not protected by a collective agreement.

I can almost paraphrase what Doern said: "Notwithstanding legislation that exists, a company under some guise can get rid of someone it considers an obstreperous worker who is too vigorous in promoting health and safety."

While I agree with the difficulty this minister has, I think the Minister of Labour is struggling with that problem of protecting those employees in yet another situation who are not protected by a union. In the study conducted among the minister's inspectors they recognize the difficulty of protecting workers, because the employers could always find a reason somewhere down the road, two weeks hence, for dismissing someone for another reason when they really wanted to get back at the employee who made the complaint.

That is an area I know the Ministry of Labour is going to deal with because his staff has probably reported to him the difficulties they were having. I suspect this minister is going to have the same problem. He will find, if there is no union, the employer can get rid of an employee for some other reason. While I commend the minister for what he is attempting to do in protecting employees, I suspect in unorganized plants he will have difficulty getting

people to come forward because the employer will be able to get rid of them for some other reason.

Mr. Charlton: Mr. Chairman, briefly on the same issue, I appreciate the amendments and what the minister is trying to do, and I appreciate the difficulties as well. We would appreciate it if he could have his legal staff look at what potential there is to deal with the third-party situation we have raised. The member for Sudbury East mentioned it but I am not sure the minister picked it up.

This section he has set out deals very specifically with employees, but because of the nature of the construction industry we have an unfortunate situation in the construction field where, when the job is done, an employee may very well get laid off for legitimate reasons, for example because there is no more work at that moment. My colleague suggested the possibility of workers then being discriminated against when the time for rehiring comes. Perhaps we could look at some protections on the back side. I do not know if it is possible to work it out in this act, but we would appreciate it if he could have his legal staff look at that side of the question.

Hon. Mr. Brandt: I would be happy to do so. There is general agreement that the legislation being proposed is a very positive step forward. It was recommended and supported by the members opposite as well. Let us see whether it works. We have to acquire some experience in operating with the amendments being proposed here. Certainly the concept is a good one and should be given a trial.

I also agree that there are some conditions and some areas that may not be covered. I am quite prepared to work with the members to see if we can develop a mechanism that will appropriately cover some of those questionable areas.

Motion agreed to.

Section 22, as amended, agreed to.

Sections 23 and 24 agreed to.

On section 25:

The Acting Chairman (Mr. Cousens): Hon. Mr. Brandt moves that the bill be amended by adding thereto the following section:

"25.(1) The said act is further amended by adding thereto the following section:

"149. The authority to make an order under this act includes the authority to require the person or body to whom the order is directed to take such intermediate action or such procedural steps or both as are related to the action required or prohibited by the order and as are specified in the order.

"(2) Section 149 of the said act, as enacted by subsection (1), applies in respect of every order made under the said act whether or not the order was made before this section comes into force."

Hon. Mr. Brandt further moves that sections 25 and 26 of the bill, as printed, be renumbered as sections 26 and 27 respectively.

Motion agreed to.

Section 25, as amended, agreed to.

Section 26 and 27, as renumbered, agreed to.

Bill, as amended, ordered to be reported.

BUSINESS OF THE HOUSE

Hon. Mr. Wells: Mr. Chairman, I should indicate that tonight we will proceed to Bill 86 and Bill 87 in committee. As I think there are likely to be votes, it has been agreed that the votes will be stacked until 10:15 p.m. After those bills are finished in committee we will proceed with the adjourned debate on second reading of Bill 90, An Act to amend the Assessment Act. We will not be proceeding tonight with Bills 93, 94 or 92.

The House recessed at 6 p.m.

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 Cousens, D., Deputy Chairman and Acting Speaker (York Centre PC)
 Davis, Hon. W. G., Premier (Brampton PC)
 Eakins, J. F. (Victoria-Haliburton L)
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Hansard

Official Report of Debates

Legislative Assembly
of Ontario

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of Ontario

Third Session, 32nd Parliament

Tuesday, November 8, 1983

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday, November 8, 1983

The House resumed at 8 p.m.
House in committee of the whole.

REGIONAL AND METROPOLITAN MUNICIPALITIES AMENDMENT ACT

Consideration of Bill 86, An Act to amend certain Acts respecting Regional and Metropolitan Municipalities.

On section 1:

Mr. Chairman: Mr. Swart moves that section 1 of Bill 86 be amended to read as follows:

"Subsection 74(1) of the Regional Municipality of Durham Act, being chapter 434 of the Revised Statutes of Ontario, 1980, is repealed and the following substituted therefor:

"(1) The board of commissioners of police known as the Durham Regional Board of Commissioners of Police is continued and shall consist of,

"(a) three members of the regional council appointed by resolution of the regional council; and

"(b) two persons appointed by the Lieutenant Governor in Council."

Mr. Swart: Mr. Chairman, I think it is obvious what we are trying to do with this bill. The reason I am introducing the amendment instead of the member for Riverdale (Mr. Renwick), who would normally have this responsibility, is that he has been ill for the past couple of days.

I want to say on my colleague's behalf and on behalf of our caucus that we consider this amendment and the change we propose to be of real significance. It is important to our party. The principle we are embodying in this resolution is clear. It is the principle that the majority of the members of a police commission shall be elected members of council selected by the other elected members of that council.

I, the member for Riverdale and others talked about this principle at some length on second reading of the bill. I do not intend to repeat everything I said at that time relative to the wisdom of making this change which we propose. At that time I drew a number of illustrations relating to the Niagara Regional Police Force and the commission that governs it to point out the insensitivity and lack of accountability of that commission. As I say, I am not

going into that in any great detail this evening, but I do want to mention what we consider are some pretty overriding reasons this amendment should pass.

The Liberal Party has indicated previously that it will be supporting this proposal, and we are hoping that the government and the Solicitor General (Mr. G. W. Taylor) also may be willing to support this amendment so that it can become the law of this province.

The real issue is whether control of the police commission in any municipality, the authority that governs the police, shall rest with the elected council of that municipality, whether it is a regional or local municipality—Bill 86 deals with regional municipalities, while Bill 87 deals with local municipalities—or whether it shall rest with appointed people from the province.

I think it is not unfair to say that police forces in many respects now are too far removed from the public, and that is due to two or three reasons. One is that police forces generally are much larger now than they were 10, 20 or 30 years ago. Most of the police forces are quite large, either city police forces or regional police forces. When one gets a large force, it becomes a very real power unto itself and is much less likely to have the degree of accountability that a smaller force has.

Police forces are also less than fully accountable—in fact, that is putting it very kindly—because they have commissions that in the majority are not composed of elected people, who I suggest have the kind of sensitivity that appointed people do not have. Elected people are much more concerned with the attitude of the public towards the police. First of all, they recognize it to a much greater degree and then they are concerned that the police force is seen by the public as being sensitive, accountable, civil and serving them in a way that they like to see themselves and their neighbours being served. This is simply just not possible when one has the majority of the people appointed to that commission.

It is also recognized, and I think its importance should be recognized, that it is the municipal taxpayers who supply the bulk of the funds for policing. As I pointed out when we were

discussing this on second reading, in the Niagara region something like 75 to 80 per cent of the funds for the operation of the police comes from the local taxpayers. There are few other services provided by a municipality where such a large percentage of the operating costs comes directly from the municipal taxpayers.

8:10 p.m.

If we look at the construction and maintenance of roads and streets, 33 to 50 per cent of the funds—in some municipalities it is as high as 80 per cent—rightly come from the provincial government, and yet the municipality basically has control over the roads within that municipality. When we look at the issue of welfare, another service provided by the municipality, we find that 80 per cent of its costs are paid by the higher levels of government. Yet here we have a service that is provided by the municipal taxpayers, who put up 75 to 80 per cent of the money—the province puts in only 20 to 25 per cent of the funds—and yet the province has control of that police force because it has a majority of the members on the police commission.

It should be pointed out too that while the members on that commission from the region or from the local municipality are there by virtue of having been elected by the voters of that municipality, most of the other members of the commission, apart from the judge who sits there, are there by virtue of the fact they have been loyal supporters of the Conservative Party. There is no question that this is the reason the majority of them are there—not all of them—and their first loyalty is not to the ratepayers of the municipality but to the Tory party. Therefore, we will have a much higher degree of accountability if this motion is passed and we have three people appointed by the local municipality and two people appointed by the government.

The minister must be very conscious of the fact, and I believe he admitted this in debate on second reading, that the municipalities have asked over and over again for this change to be made. Every major municipal association in this province has passed resolutions, whether we are talking about the Association of Municipalities of Ontario or whether we go back before that time to the Association of Ontario Mayors and Reeves or to the Ontario Municipal Association. I have been present at many of those conventions where these resolutions have been passed, and they are passed almost unanimously, asking the government of this province over and

over again to amend the act we have before us here tonight to provide that the majority of the members of the commission come from the council.

Quite frankly, I cannot understand what it is on the part of the Conservative government of this province that they do not trust the elected municipal politicians to the point where they should have a majority of the members on the police commission. I sat on municipal council for 21 years and I have come to have great respect for those municipal people. They are people of integrity.

Why, when they have to raise 75 or 80 per cent of the money for the policing, should they not have the right to have the majority and to have the final say in the decision-making of the police authority? They do not even have the final power to determine the budget of the police commission. If there is any objection to the budget, the municipality can appeal that budget; but for the final decision—and the Solicitor General can correct me if I am wrong—the appeal goes to the Ontario Police Commission. The decision is made by the police body, not by the elected people.

I know that on the other side of the chamber and to my right there are many people who have sat on municipal councils, and surely they realize the validity of the argument that I am putting forward and that municipal councils have put forward year after year after year.

I hope the government will accept the amendment we are putting, but if it does not accept it I suggest that shows the real contrast between us in this party and the Conservatives over there. We have enough faith in the municipal people that we think they should be given the right to make the major determinations as to who sits on a police commission.

I see the former mayor of Sudbury is here. I am sure his municipality voted over and over in favour of having the majority of its police commission from elected members of council—or perhaps it is a region in his area now—whatever, I am sure he carries the logic of that into this chamber.

In this motion we have before us we have for the first time in many years the opportunity to make the changes the municipalities have requested and that most people in this province agree with.

Mr. Boudria: Agree with what? With regional municipalities?

Mr. Swart: Not with regional municipalities

but with the majority of members of police commissions being elected people.

Even if the government has the best intentions in the world of bringing in legislation to make this change at some future date, there is the likelihood, with the docket always being clogged with bills, that it will be years and years before we have the opportunity to make this change.

I think it is safe to say this is a change that is supported in principle by the majority of people in every walk of life and at every level of government, with the possible exception of this government, although I suggest, even by the back-benchers of the government party. We have the opportunity to make this change that everybody wants. I suggest to the members that we should grasp the opportunity we have before us now and improve the democratic system in our society by having those people who raise the money, who are elected, make the vital decision in the overall operation of the municipal police forces in this province.

On behalf of my party, certainly on behalf of myself for the years I have spent in municipal life and on behalf of the municipalities and the municipal organizations in this province, I am happy to move this amendment in the hope that it will get the unanimous support of this House.

Mr. Bradley: Mr. Chairman, I stand to support the amendment put forward by the member for Welland-Thorold (Mr. Swart) for many of the reasons we have heard from municipal councillors over the years. One need only look at the various political jurisdictions at the municipal level across this province to recognize that one of the areas where the greatest complaints lie is that area where the local municipal politicians feel they do not have the kind of control they would like to have, and I mean control in the very best sense, over a police commission.

At present, with provincial appointees making up the majority of a police commission, we have a circumstance where, as the member for Welland-Thorold has appropriately pointed out, many of these people across the province are simply friends of the government. They are appointments certainly based in part upon the person's ability, but a major component is the political affiliation of the individual. It gives the Tories in this province, the government in this province, yet another opportunity to practise the politics of patronage and privilege, for which it has been so well known over the years.

Mr. Shymko: You're talking about the federal government.

Mr. Bradley: I am elected to the provincial Legislature by the electors in St. Catharines to represent provincial issues.

The Deputy Chairman: Order.

Mr. Bradley: I will leave to my federal counterpart in St. Catharines the opportunity to make the necessary criticism to the federal government if he feels that is appropriate.

8:20 p.m.

To go back to the amendment proposed by the member for Welland-Thorold, I guess even those who felt it was somehow dangerous to have the democratically elected people in the majority on police commissions in our part of the province started to think twice when, I think it was two years ago, we had a bill presented to the regional council to the tune of a 22 per cent increase.

The regional council, which at that time was certainly prepared to spend money in a variety of areas and had come under some considerable criticism, was making an effort to rein in some of the free spenders. Indeed, the administration of the regional municipality of Niagara was looking at various areas where it could keep its expenditures in line. Guidelines were, therefore, given to each of the departments of the region and the department heads were asked to live within those guidelines.

It is mighty difficult to ask the head of the engineering department, the planning department or one of the other departments to hold his or her expenditures within, let us say, five, six or seven per cent when the police commission presents a bill for an increase of 21 or 22 per cent in the allotment of funds.

At this time, even many of those who were, first, very good friends of the government politically and, second, people who thought there was perhaps some merit to having independently appointed, nonaccountable people—that is, not directly accountable to the local municipal electorate—in positions where they could exercise independent judgement fell by the wayside—I am talking now about the supporters of that system—when they saw the kind of expenditure that was made.

What was the opportunity they had? The only opportunity they had, as I recall, was to appeal it to the Ontario Police Commission. The minister can correct me if this is not the case. I think this is the appeal which goes to the Ontario Police Commission or a provincial board on the bud-

get. Naturally, the people sitting on the review committee or review board or review commission are people who recognize and feel strongly about the value of expenditures for policing purposes. In other words, they are not people who, in my view, can exercise a totally objective judgement because of their bias towards providing maximum and top-flight police service to a particular area. This is understandable because of their experience in the area and because of their recognition of its importance.

Therefore, the regional municipality of Niagara simply had to pass the cost along to the taxpayers. There are those of us in the opposition who have been, and I think justifiably so, critical over the years of regional government and of the expenditures of regional municipalities. However, in one specific area, even though the region took the flak for it, it would perhaps be unfair for us to point the finger at the region when a commission, the majority of whose members are appointed, made a decision which cost the region a substantial amount of money.

If one examines the regional budget, he would find that police services and the provision of police services make up a very large part of that budget. From the viewpoint of financial responsibility and accountability, I think this amendment makes good sense.

It also makes good sense because of the increased pressure we see in our society today for the accountability of police forces across the province. In Metropolitan Toronto the government has set up a mechanism whereby there can be a review of complaints against police procedures. I think all of us in this House recognize it is a tough job to be a police officer in Ontario. I certainly would not point the finger at the police to say they are doing a terrible job. By and large, we know they are doing a very good job.

However, there are occasions where citizens have legitimate complaints against the procedures followed by specific police officers. I would venture to say that many who are on the force themselves have a vested interest in and want to see the best possible mechanism in place for reviewing complaints against their department so they are not tarred with the same brush as those who might violate the proper procedures.

What I am saying is that when you have a majority of elected people on a commission, the chances for political accountability are greater than if you have a majority who are appointed and accountable to really no one but themselves

when it comes down to the short strokes. So from the point of view not only of financial accountability but also of political accountability, I think it is wise and a reasonable safeguard to have a majority of elected people.

We in this House proclaim our interest and our faith in the democratic system and yet from time to time, when we do not follow those procedures that would favour the democratic system, we indicate a lack of faith in that system.

No one has said it is perfect. No one would suggest in this House this evening that simply because a person had been elected by a municipal council and then chosen by that council to serve on a police commission we are necessarily going to get the very best people. But the chances are that we are going to get people who are accountable to the electorate, to the people who are paying the bill, and that is a key to it. The people who are paying the bill have a right to have a majority of people there to protect their interests, not only financially but also in respect to the procedures followed by a police force to make it the best possible police force within a specific area of the province.

So it seems to me that it makes good sense for all members of this House to support an amendment that has been placed by the New Democratic Party and the Liberal Party on perhaps different occasions over the years and advocated even by some on the government side from time to time as being sensible. I think 1983 is the year when we should start doing that. I think we now recognize that more people see the virtue of having a majority of elected members on that commission.

When you look around the province, the experience is that the elected people on the police commission have not caused great damage to the commission. Sure, there may be some isolated cases, but for the most part they are people who are sensitive to the special problems confronted by a police force and by individual police officers. They are not inclined to make some radical and embarrassing decisions against the police force, but they may be more inclined to investigate a little further than those who are in an appointed position where they are not necessarily accountable to anyone out there in the hinterlands who goes to the ballot box to indicate a choice.

So I hope I will hear some members opposite express a viewpoint in favour of this amendment, an amendment that makes, as they say in certain quarters, eminent good sense.

Mr. Charlton: Mr. Chairman, I will be very brief, but I just want to add my support to this amendment moved by my colleague the member for Welland-Thorold.

Those of us across the province who live in the areas of regional government that this provincial government set up some decade ago have seen substantial changes in the need for policing and in the way that different communities within the region need different approaches and different levels of policing.

Because of the very much larger nature of regional governments, because of an inability on the part of any one individual to reflect accurately the view of the region as a whole and because there is a real need in all aspects of regional government, including specifically the police commission, to have a high level of sensitivity to the needs, the concerns and the problems that exist in the community with respect to the need for policing and the approach to policing, it becomes and is now as a result of regional government ever more important that at least the majority on the police commission in a regional area be an elected group and a group which, by their elected nature, is more sensitive to the public demands and concerns than those who are appointed and, in effect, are not directly responsible to anyone.

8:30 p.m.

The member for St. Catharines (Mr. Bradley) made the point that just because they are elected officials does not mean they are going to be perfect, and that is all very true. No one can effectively argue that elected officials are going to have to be sensitive to the concerns of the public who elected them or they will not be there very long.

In some areas where regional governments were set up the police commissions were almost instantly expanded—not quite instantly but over a very short period of time. In some cases certain areas did not have their own policing services prior to regional government. They were serviced by the Ontario Provincial Police or some combination of the OPP and one policeman in a local village or township, something like that.

We found we had problems of growing pains in the initial stages, even to some degree today. I think the member for Wentworth (Mr. Dean) can speak to this because he was on the regional council through much of this period. This was so in areas he represents and other areas in our region, and it is no different in the Durham region or any other region. As the regions grew

and evolved, we found the nature of the policing required would change and sometimes change quite quickly.

It therefore becomes imperative that those who are in the majority and ultimately control the policing decisions the police commission makes will be very sensitive to the electorate in those areas. I refer to decisions about the numbers of officers who ultimately will be deployed, the approach to policing and dealing with complaints and so on. They must be sensitive to the changing nature of the policing required in areas that are changing from rural to semi-rural to urban in rather abrupt steps.

It is imperative that the people on the commission must be very sensitive to the public and its concerns and the needs, fears and problems that will evolve as the nature of the community changes. The member for Wentworth is well aware of some of the more serious problems we have in some of the north-end areas of Hamilton, for example, the Parkdale area and the Sherman north area. Those problems do not exist to a large extent yet in many other areas of the region, but as they change new problems will evolve and we have to be in a position to be very sensitive to the need for a very quick response to the changes in the community.

For all of those reasons, and as stated so well by the member for Welland-Thorold and the member for St. Catharines, these changes make eminent good sense at this stage. The regional approach to government has been severely criticized by any number of people over the last decade. These changes will make the regional approach more workable, more sensitive and more useful to its citizens in all of its aspects of operation, and specifically in terms of the police commission.

Mr. Spensieri: Mr. Chairman, I too, as critic of the Ministry of the Solicitor General, would like to take the time of this committee of the whole House to discuss briefly the amendment that was originally discussed and proposed by my friend the member for Riverdale. I suppose tonight he was junioried by the member for Welland-Thorold, and admirably so I might add.

The Solicitor General would like to have us believe, as he indicated to the police association in Chatham, and I quote: "The general policies of the government have been well documented in recent years and I can tell you that I have yet to see a reason for altering the government's position. We will continue to appoint the majority of the members to these boards."

What is interesting is what I would call the bogus reason he gives. He says, "The administration of justice is, after all, a constitutional responsibility of the province and, therefore, I for one would have very grave doubts about relinquishing provincial control over police governing authorities."

Let us examine the theorem this statement seems to postulate. The Solicitor General seems to say that because the administration of justice is a constitutional responsibility of the province there is some innate, God-given, unrelinquishable right to appoint and therefore to have a direct hand over the composition of these boards.

I am not, as my friend the member for Ottawa East (Mr. Roy) is, a constitutional expert, but it seems to me with the municipalities and the regional municipalities being, after all, creatures of the province, it does not really make logical or constitutional sense that a province must retain the reins, that otherwise it would somehow be abdicating some constitutional duty.

I draw attention to the constitutional aspect only because I can only echo those other practical considerations other members of this assembly have indicated in so far as they relate to their particular regional municipalities and ridings. Of course, being a Metropolitan Toronto member, I have limited experience with commissions in regional municipalities and therefore I can only echo those sentiments.

I can appreciate the practical reasons why members on this side of the House wish to support this amendment and I want tonight to debunk the theory that the Solicitor General is somehow bound up by constitutional requirements and his position is so etched in stone that he cannot give up this long-standing tradition of patronage and supremacy in the area of appointments.

There is, of course, no such paper tiger, no such man of straw. I think the Solicitor General set it up simply as a smokescreen to let us know he is not going to change his position, because it is government policy that he not change his position. I think it is uncharacteristic and unbecoming of him to hide behind the constitutional argument.

Let us turn to the question of how the Solicitor General can present and allow this amendment to slip by the members of his party. The member for Riverdale had a very, as he called it, seductive approach. He said: "Well, Mr. Solicitor General, we can just say there was a typo and someone slipped the two where the

three should have been and the three where the two should have been. If that is one of the little mind games that has to be engaged in, we can get the concurrence of every member of this House to say that was the case and, now that the typographical error has been removed, there is no more impediment to the passage of this amendment."

8:40 p.m.

We all know that what is at stake here is not mere cosmetics, not mere typographical accuracy. What is at stake is a very fundamental concept which has always been a cornerstone of this party, namely, the degree of representation which can be obtained and which must prevail at the local level.

I canvassed my caucus colleagues on this amendment. As I said, I have also spoken about it at length with the member for Riverdale. It is very much in our party tradition. It is a cornerstone of our tradition as a party to support this kind of preponderance of balance of power by the regional and municipal levels, the level that is closest to the people. In short, as critic to the Ministry of the Solicitor General, I will indicate that our party stands four-square behind this amendment and will support it.

Hon. G. W. Taylor: Mr. Chairman, I will respond very briefly. I have heard the arguments put forward by members in regard to this amendment by the member for Welland-Thorold of the New Democratic Party. They do not differ from those put forward during the debate on second reading on the principle of this legislation a few evenings ago in this Legislature.

I said at that time, and I repeat, the arguments put forward at this time are no different from those put forward when police forces and the manner and method of their control were originally created. There was a time when police forces were under the direct control of the municipality and municipally elected individuals. Historically, that did create problems. Then the present manner and method was put forward and was created, allowing a greater independence of policing from the political atmosphere of elected individuals at the local level.

Historically, there had been some difficulties with that. Even to the present time I find many municipal councillors offer the point of view that they prefer the manner and method at present in place, notwithstanding the many resolutions put forward by municipal organizations in support of a different majority of

individuals, provincial appointments versus municipal ones as it now stands and as the amendment to the act puts forward, not as the member for Welland-Thorold puts forward. So there is a body of individuals that would prefer to see the arm's-length transaction, but a little shorter arm's length, where they are not totally responsible for the management, functioning and carrying out of policing functions in the municipalities.

As to the point on the constitutional part, I know the member has quoted from my position that the responsibility for the functioning of policing in Ontario is a provincial responsibility not a federal one. There, again, I take that responsibility with a great deal of quality in looking at it, as it should be, in the constitutional feature of the province. We do need control over the individual boards by the arm's-length situation of not having them all elected. Thus, when they get into difficulties, as some do from time to time—I can think of certain instances which I will not repeat, but there are many examples—the Solicitor General may have to intervene with a board and say: "This is the way it has to be. These are the laws of the province and this is the way you will carry out your policing functions. Board, please respect my wishes on that."

There are situations where, if there was a majority of elected officials, one could have a confrontation thus destroying that link between the independence of policing and elected individuals. There is a responsibility on the Solicitor General, albeit he is an elected official, an appointed one, of the government of this province. As in the case of the Attorney General, at times there are situations that preclude partisan activity and one has to look at the law as it is.

The police officer is sworn to do a particular duty. When that duty has to be carried out by a police officer, it does not warrant a political situation in which he would be operated by a board that is punctuated by people who need to go to the voters to be elected every so often. That may cause complications. We would prefer the hands-off approach, and many municipal councillors would also prefer that.

The amendment put forward in the legislation will provide greater representation for the municipalities. I think that is a step in the direction they have been asking for. I have heard the argument about financing, "If we put in more funds at the municipal level, it will give us more control." If that were the case, there would be many situations where municipal and

elected people would not be performing very many functions. The province could say, "By the way, we contribute the greatest amount of dollars, so let us have the greatest amount of say in who should be operating that." I am sure the federal government could make a similar argument, "By the way, we provide the greatest amount of money."

I used the example the other evening, and I repeat it to my colleagues, that Ontario spends some \$7 billion on health care through hospitals. There are a very limited number of people on hospital boards, yet they operate for the province huge operations in which all the dollars are coming from the province. There are many other examples. The argument that whoever pays the most has the most control does not stand the test of other examples. It is not an argument that weighs heavily, as does the argument that police commissions should be independent of elected individuals, so that not only is there an appearance of that separation but there really is that separation.

When we talk about the manner and method of control of budgets, there is a procedure available for them to control it, although some may criticize that procedure. There is a procedure for complaints in practice. There is a more elaborate one in Metropolitan Toronto that is a pilot project. Maybe when that pilot project is completed and the experiment has moved along it can be applied throughout Ontario.

As I said earlier, the arguments are not original. Each time these types of amendments come forward in their original situation the arguments are repeated on both sides. I think the test of time has shown that we have had very little difficulty with the present setup. We are increasing the representation by the province and by the municipal people. I think, by and large, the public will be served well by policing with the amendment that has been put forward by the government at this time. That is all I have to say.

Mr. Roy: Mr. Chairman, as I understand the debate and the amendment proposed by the honourable member, basically what would happen is there would be a switch around and the majority of members on a board of police commissioners would be appointed locally and the minority would be appointed by the province. Frankly, the compelling aspect of that argument seems so logical and so sensible that I would have thought the minister would have jumped at it and not hidden behind the so-called constitutional argument about the responsibility

ity of the province to take care of the board of police commissioners.

I have some difficulty accepting that argument. It seems to me this government cannot have it both ways. It cannot profess on a variety of issues to believe in local autonomy and, on the other hand, still continue the persistent practice of naming the majority from the province on a board as important as a board of police commissioners. Often the local people are in a much better position to determine who their representative might be on the board.

I just wanted to get those comments on the record. I feel the amendment is proper and logical. After all, policing involves individual police forces from local areas. I would have thought the government would jump at the chance to give the local people a full opportunity to have as much representation as possible in the administration of their police forces. I just wanted to get my name on the record as one who is fully supporting that proposition.

8:50 p.m.

Mr. Kerrio: Mr. Chairman, I rise to support this amendment because obviously my amendment, which comes a little later, is in a way similar and yet just a little more specific. I certainly cannot talk about my amendment in too much detail at this juncture when we are on section 1 of Bill 86 except to say that it would make some variance from what is being proposed here by the government.

I think not only that the elected members should play a more significant and important role in policing, but more specifically, in regions such as Niagara we should have representation from each municipality, given particular numbers. We were sold on regional government as being more efficient because we could co-ordinate centrally our fire departments, our police departments and all of the other administrative things this government talked about, and we could cut back on expenses and costs to regional municipalities. Such has not been the case. Having been put through the extra costs for regional government, from which there is no turning back in our region since we have built a big central headquarters, we are now asking for at least proper representation from the communities within a regional government.

I hope I am not digressing too far from the bill in talking about the amendment of the member for Welland-Thorold, but what he is proposing is very close to my concern. Individual municipalities have individual problems that have to be dealt with, and unless they have representation,

and particularly elected representation, we will fall short of what we consider the very fundamental basis of democratic government, and that is representation from each particular area.

It is very difficult for me to accept in this modern age a city the size of Niagara Falls, which has 15 million people moving through it in a given season, not having representation on the police commission. We have certain particular problems, as there might be in Welland, Port Colborne, Fort Erie or wherever. I think it is about time we came into this age of representation by population, whether it be for regional governments or provincial governments or whatever. We are failing miserably.

I think the minister should really reconsider his position as it relates to representation from the major population centres within a regional municipality. I hope he will reconsider it. I think it is the very least the people should have as they consider the wonderful things about living in a democratic country. I hope he might think of giving representation to those areas which really need it badly. We have specific problems to deal with. We would like people to sit there who have been elected by the citizens in an area to represent them.

Hon. G. W. Taylor: Before we continue, Mr. Chairman, the member for Welland-Thorold said he was going to make some other amendments. The amendment on the floor at present speaks only to Bill 86 in regard to subsection 74(1), really specifying the Regional Municipality of Durham Act, but he had indicated to me earlier he was going to add in all the other numbers. I did not know whether he was going to do that or whether he was going to add them one at a time so that we would debate each amendment to each municipality as it proceeds along.

I now know the member for Niagara Falls (Mr. Kerrio) has an amendment later on. I did not know whether we were going to do these one at a time and I asked the Chairman to consult with the members as to the process, whether we are doing them slowly or in bulk. The arguments, I am sure, would not differ on all of them.

Mr. Haggerty: Mr. Chairman, I want to address myself to Bill 86 and the proposed amendment of the member for Welland-Thorold that the majority of representation on the police commission should be elected rather than appointed.

It is a good amendment. It has been proposed on different occasions in the House that elected

members should have more say in the administration of the operations of the regional police, particularly as they relate to costs. Police costs make up a large share of the regional budget. I believe the Niagara regional police force accounts for about 30 per cent, or maybe a little more, of the whole regional budget.

In past times there have been comments in local regional councils, particularly at budget time, indicating members are not too happy with the large increase over the years in the cost of administering the policing of the Niagara region. I suggest to the minister that settling a matter of police cost in that region has had many times to go to an arbitrator. The cost of settlement there puts the regional budget way out of proportion. It is difficult for elected persons to go back and tell their municipalities they are going to have another increase in the cost of policing throughout the region.

I was a little amazed at the member for Welland-Thorold—I do not know if I can quote him correctly—when he indicated police administration in the regional municipality of Niagara seems to have got further away from the general public. He suggested the police were a group of untouchables, that they are not responding to the needs of the local communities.

The member for Niagara Falls will be moving an amendment to increase the numbers on the police commissions, in particular in the Niagara region. There are problems there that have to be accounted for. In Niagara they have a public works committee that includes a member from almost every municipality. The same thing is true of finance. The elected persons within the region are spread out pretty well throughout the region. However, at least those municipalities do have representation on these committees which are so important in the administration of the region.

The comments of the member for Niagara Falls were good. There are municipalities in some regions that have had very little representation on such important matters as policing. He mentioned the tourists in Fort Erie. We do have a large number of summer residents who have moved into the area from the Niagara River straight through to the township of Wainfleet. It has been suggested that Fort Erie has a population of about 25,000. It increases in summer by another 15,000, so it moves up to 40,000.

I think of Sherston Beaches, one of the key resort areas in the province, with two and a half miles of excellent sand beaches. There are campers who come in to spend weeks and

maybe a month in that resort area. There may be an increase of about 30,000 people in that 600-acre site.

Over the years, in the original police force in the former township of Bertie, the town of Fort Erie and Crystal Beach, I believe about 52 police officers served that community. We are lucky to have 19 or 20 today. The cost of regional police forces is getting beyond the control of the taxpayers to support year after year.

9 p.m.

There are problems within the administration of the regional police force in Niagara, which we talked about in debating the other bill, in regard to the allegations of police brutality. If we had more of an elected representation on the police board, we would have more of an independent review of police matters within the Niagara region.

In debating Bill 68, the Metropolitan Police Force Complaints Project Act that was debated in this House in 1981, one of the key things that was discussed, and it was suggested by members in the House and in views expressed outside the Legislature, was that a citizens' complaint review commission should be established that showed some independence in questions of police costs and police brutality. It was suggested that such a commission could cover a number of areas. I think this is one area the minister should be looking at.

At present we are talking about introducing the 911 emergency telephone number in the regional municipality. That may be a good service, but it is going to cost the taxpayers quite a sum of money to administer such a program within the region because of the 10, 15 or 20 different telephone exchanges in that area.

I draw to the minister's attention that if people who live in certain rural areas between Port Colborne and Fort Erie want to make an emergency call to the Port Colborne police station, it is a long distance call. The only way they would be able to get around that would be to call the exchange in Fort Erie. From there it would go to the regional base station in St. Catharines, and from there it would come back to the Port Colborne detachment.

People may not even be able to get hold of the local police force that way. They have to go through a communications system in St. Catharines. Sometimes that may confuse the general public and improper information may be received that could send out an emergency police force to some other area, for example, to a street with

the same name in Welland, Fort Erie or Niagara Falls.

The 911 service may be all right for the people in Metropolitan Toronto, where they can call from downtown Toronto to Oakville on the same exchange, but when one gets into a region that has so many telephone exchanges, it perhaps causes some difficulties for the local regional police force.

I know it has been tried and considered for looking after fire matters within the region. The different fire departments have looked at the 911 number, for example, but thought it would confuse the issue more than when people call the local fire department that they know pretty well.

I wish the member for Welland-Thorold had put forward an amendment proposing that we go back to local police forces and let the municipalities administer them locally as used to be done a few years ago. I think people accepted that they were good police forces at that time. Perhaps the communications system would be a lot better now, and the public relations would be a lot better today. There also would be a better understanding of police matters within the region if they had some say in police matters or some measure of control over expenditures. As it is now, if the government goes regional, there is no bottom to the well, one might say. They can go as many times as they want and spend money.

I understand they are constructing an addition to the regional police building in the city of St. Catharines. They are building an empire in St. Catharines, yet other areas have been short-changed on police matters and protection. In my own area along the lakeshore, in order to maintain a good system of patrolling, the people have gone now to a vigilante style to protect their property. They never had to do this before when they had local police forces. They could always count on the police cruiser going by at different times of the day. Where I live in Sherkston, we very seldom see police cruisers because they are looking after matters in some larger, urban area. Homes are being ransacked day by day out there.

I know one particular patrolman who has a motor scooter, and all he does is go out early in the morning before daybreak. There are a great many summer homes out there, which are valuable properties with valuable furniture and other things in them. He makes his calls to those places about twice a day. I talked to him recently, and I said: "Boy, you're taking an

awful chance going out there. You don't know who you're going to meet in the homes out there." Apparently, one day he did meet two or three of them in a home they were ransacking. Fortunately, he knew where the alarm system was and he contacted the police in that way.

I suggest there are problems within the regional police force down there. Many municipalities do not get the representation they should have in police matters in that area. I hope my colleague the member for Niagara Falls will be moving an amendment that says the municipalities from each area should have representation by population. We could take the figure of 20,000, or something like that, and say that at least they would have one member on the police commission to see that their area is being looked after the same way as other areas are.

With these comments, I will wait to see what response I get from the minister. We are not asking for too much. I do not think it is going to cost the province anything for additional members on the police board. All we are asking for is fair and equal representation. I think that is the way it should be. If public money is being spent, they should have some concern as to how that money should be spent and who should do the spending.

The Deputy Chairman: You may be going a little bit from where—

Mr. Haggerty: I am speaking on the amendment.

The Deputy Chairman: I just wanted to make sure.

Mr. Haggerty: I can understand your difficulty there, but that is what it is. I suggest to you that we should be considering both amendments, and I hope the minister will accept them.

The Deputy Chairman: We have before us an amendment to section 1 of Bill 86.

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Vote stacked.

On section 2:

Mr. Swart: Mr. Chairman, I move that section 2 of Bill 86 be amended to read as follows:

"2. Subsection 69(1) of the Regional Municipality of Haldimand-Norfolk Act, being chapter 435 of the Revised Statutes of Ontario, 1980, is repealed and the following substituted therefor:

"(1) The board of commissioners of police known as the Haldimand-Norfolk Regional Board

of Commissioners of Police is continued and shall consist of,

"(a) three members of the regional council appointed by the resolution of the regional council; and

"(b) two persons appointed by the Lieutenant Governor in Council."

Because these are all the same—

The Deputy Chairman: No. I still need it. The member should send it over.

Mr. Swart: You want to have that written out?

The Deputy Chairman: Absolutely. I am afraid so.

9:10 p.m.

Mr. Swart: To expedite matters, perhaps you would let me speak very briefly on it; then I will write it out.

The Deputy Chairman: Okay. You move it, and then I will put it into the record with the slight changes. Have you finished moving it?

Mr. Swart: I have moved it.

The Deputy Chairman: Let me just put it into the record. Mr. Swart moves that subsection 74(2)—

Mr. Swart: That section 2 of Bill 86 be amended to read as follows, and it will be exactly the same as in the bill except that in (a) "two" will change to "three" and in (b) "three" will change to "two."

The Deputy Chairman: Is it agreed that I have accepted that and dispensed with my reading it into the record?

Mr. Kerrio: Let's dispense with the debate as well.

Mr. Spensieri: Mr. Chairman, mutatis mutandis.

The Deputy Chairman: Mutatis mutandis; agreed. Dispense. But we will not dispense with the member for Welland-Thorold. He may speak to this.

Mr. Swart: Mr. Chairman, the amendments we are putting until we get to section 10 are all identical; that is, they change the composition of the commissions from three members appointed by the government to two members appointed by the government and from two members appointed by the regional municipality to three members appointed by the regional municipality. I will be glad to write that out in each case if you would like to have it, but they are all identical.

I do not intend, of course, to speak on all of these, but on the second one I do want to take a moment to reply to some of the comments that

the Solicitor General made and the reasons he gave for not accepting this amendment. In the first part of his comments he made reference to the fact that there were problems a number of years ago when the authority over the police was a local municipal council, and he did not want—I am paraphrasing and I hope I am doing it correctly—to revert to that sort of situation.

I point out that there is no possibility of reverting to that sort of situation, and the comment that we would revert to that kind of situation bears no relation to reality. First, there is no proposal that the small local councils have authority over the police. Second, there is no proposal that there should be no provincial appointees on those local commissions. We propose that there be commissions; it is just a simple change in where the majority lies, from two to three, and in addition to that, of course, there is a change in size.

I mentioned before that when I came on the council of the township of Thorold, they had three policemen. The issue at that time was the corruption of the police, and I use that word advisedly. A reform slate ran to get rid of the three-man police force as being directly under the jurisdiction of council, and three of the five candidates were elected to council. They immediately discharged the chief of police and the other two members of the police force and brought in the Ontario Provincial Police, and the bootleggers and the houses of prostitution that had proliferated in that municipality were cleaned up in a very few months.

We are not talking about those types of police authorities again. We are talking about a police authority for a regional municipality where they may have from 100 to 250 or 500 police officers and a very complex structure, and we are simply saying that three out of the five members of that commission should be elected people.

I would agree with the Solicitor General that police forces and police commissions have to be at some arm's length from the general public, but we do not want them out there so far that the public cannot see them. We want to shorten that arm's length a little bit so that we have some balance between accountability, sensitivity and independence.

The minister mentioned—and again I think I am quoting him correctly—that there are numbers of municipal aldermen, elected people in municipal life, who want to remain the same as they are. I believe he also implied that there are numbers of councils. I hope he will provide me with the names of the councils and the names of

the municipal people who want things to remain as they are, because in my 21 years in municipal life and in my activities in the executives of the municipal associations of this province I found that not to be the case. When those resolutions came before those municipal bodies, they were passed unanimously, or nearly so, and I would like to know all of those people and all of those councils that want things to remain as they are.

The minister says that policing is a provincial responsibility; I grant him that. But he uses that as an argument to say the province should be able to appoint the majority of members to a police commission. I point out that education is also a provincial responsibility constitutionally, yet the province has delegated the authority there. In the government's view, it must be terribly dangerous to elect the local boards of education. I point out that social services are also a provincial responsibility, but the government has seen fit to delegate those services, even though the province may pay 80 per cent of the costs, to the municipal councils. That must be a very dangerous sort of thing to do.

In fact, all the services provided by municipal councils are provided only by delegation from the provincial government, and constitutionally all of those are the responsibilities of the province. To say somehow or other that the local police commissions should have a majority of provincial representatives because the Ontario government has a constitutional responsibility for policing, or whatever way one wants to say it, ignores the fact that it is not carried out in any other field and it seems to me to be working out all right. I kind of like municipal councils and boards of education, and I think the public kind of likes to have jurisdiction over the operation.

Of course, I am the first one to recognize that the standards are set by the provincial government with regard to all of these things, and the standards are all set up with regard to policing. Surely we can leave it with the local authorities where we have a majority of local people on those to supervise the policing in their own areas.

This is not a minor issue to the municipalities and to the taxpayers in those municipalities. The minister may find out to his sorrow that there is a very strong feeling among a broad cross-section of the population that they want police more accountable and they want the majority of the people on police commissions to be people they have elected to council, and I know I am expressing the feeling of the majority of the public.

The member for Erie (Mr. Haggerty) mentioned that perhaps there should be more persons on a police commission. I do not particularly disagree with that view, but I want to say that when we drafted these amendments we decided we would make as little change as possible. We were really intent on one principle, which is that the majority of the police commissioners should be accountable locally.

We did not want to throw in all of these other issues so that the minister or any other members could get up and say, "We cannot support this amendment because it provides for more people on the commission than we think is advisable to have on there." We tried to keep this as simple as possible to express a very sound principle, and we had hoped the government of this province would accept that principle, which the majority of the people want.

I conclude by saying that the minister's government is taking polls week after week. Why do they not take a poll on whether the majority of the public want the majority of the members of the police commission elected? Then if the government follows the pattern it has followed in almost every other way, whether it be the purchase of Suncor or whatever the case may be, maybe we will get these commissions the way the public of this province wants them.

The Deputy Chairman: I know the amendment is self-explanatory to the honourable member but I remind him that according to standing orders and according to parliamentary tradition it is a prerequisite that he submit his amendment to the table, to the minister and to the other parties. So while there is some similarity to them all, I would request it. I have allowed this, *mutatis mutandis*, but please proceed with getting those down to me. Does any other member wish to speak on this amendment?

9:20 p.m.

Mr. Martel: Mr. Chairman, I want to say a few things to my friend across the way. This afternoon he was in a very Christmassy spirit. I said to him at that time I hoped we could reach him before the Grinch reaches him. With his Christmas spirit, perhaps he is prepared to accept the amendment placed by my colleague.

If he believes in this government which often wants to say it believes in local autonomy and the right of local legislators to rule or to run affairs in their area, this is a prime area where the government could respond to what has been requested over and over again; that is, that the

municipalities name the greater number of members to the police commission.

I have been involved in a number of disputes. The former mayor of the city of Sudbury will recall that a number of years ago we had a kind of unpleasant situation in Sudbury. Certainly the people on the police force, the rank and file, were suggesting very strongly that in the nomination of other people the majority should come from the municipality, which carries, as I understand it, the greatest burden of taxation for policing.

I do not think the minister will disagree that the municipality foots the largest proportion of the bill for policing in any municipality. I might be wrong. If I am, I will withdraw the rest of the remarks I am prepared to make, but I think the municipalities contribute the largest share of the cost of police enforcement in the various regional municipalities.

There is a principle, if my history is correct, that the Americans fought a revolution on no representation based on taxes. I think that is the way it goes, rep by pop, no taxation. In policing, it is a similar situation. It is the local people who pay the largest share, or even the lion's share, of the cost of policing.

With the police commission, why should the Ontario government have the right to name three out of the five people who will sit on that commission? I have never been able to understand that, save maybe that the government of Ontario really wants to control the police commission. If I am wrong, I hope the minister will get up in his place and say: "The Ontario government does not want three out of five members and does not want the final say on police commissions. The government does believe rep by pop or taxation by the majority has the right to determine what the course of that body will be."

Surely, you cannot have it both ways, George. I do not know why you would continue to insist—

The Deputy Chairman: The honourable member will refer to the minister by something other than his first name.

Mr. Martel: Mr. Chairman, he and I go back a few years. I am sure the minister did not take offence at that.

Surely the minister knows we have certain principles in this House. I hear this government saying constantly, "You members of the opposition do not believe in local autonomy." I can show a thousand places over the years where one cabinet minister after another has said,

"You guys do not want the principle of local autonomy." They can use that whenever it is convenient. When it is not so convenient, they use something else.

Mr. Kerr: Never.

Mr. Martel: I say to my friend the member for Burlington South, who I think used to be a minister in this portfolio, that one cannot have it both ways.

Mr. Kerr: Always.

Mr. Martel: The former minister is correct. The government wants it both ways all the time.

Surely this House has a right to know why the government plays that game. It can only be that with three out of five it really runs the show, does it not? That is what it wants to continue to do. It does not believe in local autonomy except if it is convenient for the government to scream about local autonomy. When it is not so convenient, it retains that right for itself.

In the situation in Sudbury several years ago, everyone I spoke to had difficulty with some of the appointments being made. They wrote to me, phoned me and talked to me about trying to get some—

Mr. Harris: They will be happy now.

Mr. Martel: I say to my friend the member for Nipissing (Mr. Harris), they are still attempting to retain control. They talk about local autonomy on the one hand and oppose it on the other hand. In that back row, I think one was a member of council and one was a mayor. They had different opinions when they were in those positions.

I hope the member for Sudbury (Mr. Gordon) will get up and support me, because a number of years ago his municipality bitterly opposed the government appointing three out of the five members. I hope the former mayor of Sudbury will get up and express that position. He is the fellow who wants to nationalize everything in sight, which is contrary to Tory policy. A couple of weeks ago he wanted to nationalize the science centre. There is no end to what that fellow wants to nationalize. He outdoes the New Democrats in Sudbury in wanting to nationalize—

Interjections.

Mr. Martel: I say to my friend the member for High Park-Swansea (Mr. Shymko) that he wanted to nationalize the science centre, Inco and Falconbridge. There is no end to what that guy wants to nationalize.

Mr. Gillies: You guys would not know what to do with them.

Mr. Martel: I am not sure. Maybe the member is right. I give him credit for saying we should nationalize Inco and Falconbridge. I have a private member's bill to nationalize Inco. If I can get first on that ballot, he will have an opportunity to support me in voting for the legislation I have advanced.

They want it both ways. When it is convenient, they are for local autonomy. When it is not—

Mr. Shymko: You are the one who wants it both ways.

Mr. Martel: Does the member have something to say?

Mr. Shymko: We are following our principles.

The Deputy Chairman: Order. The member is not standing up to participate in this debate. He is interrupting the member for Sudbury East.

Mr. Martel: I have looked all over the Conservative policy on nationalizing corporations and I do not see it in the policy anywhere.

Mr. Shymko: It is called adaptability.

Mr. Martel: It is flexibility; he sounds like a Liberal tonight.

The Deputy Chairman: Tremendous deterioration is taking place in the debate.

Mr. Martel: I hope my friend across the way can tell me why it is that the government feels it is incumbent on it to retain that right to name the majority of members to a police commission. What it is saying is that the local people, who pay the majority of the taxes towards policing, do not have the competence to name people who are capable of sitting on police commissions and making sound decisions.

I do not suggest the province should be out of it totally, but I do not believe the province should be in a position where it can appoint more representatives than the local area which picks up the biggest share of the cost of policing. Surely if the government believes in local autonomy, and government members swear up and down they do, it will accept this proposed amendment of my colleague.

9:30 p.m.

Mr. Shymko: What about Walter Pitman?

Mr. Martel: What did Walter do now?

The Deputy Chairman: Do not allow yourself to be distracted by the intrusions on your fine presentation.

Mr. Martel: Could the member explain to me how Walter Pitman got into this? He left this Legislature in 1971.

The Deputy Chairman: You were speaking to the amendment.

Mr. Martel: Quoting Walter Pitman in 1971 is really irrelevant.

Hon. Miss Stephenson: As relevant as you are.

The Deputy Chairman: Speaking to the amendment on section 2 of Bill 86.

Mr. Martel: I am trying to. Those fellows over there are trying to justify being for local autonomy on one hand and against it on the other.

Mr. Shymko: We are being accused of patronage.

Mr. Martel: Of what?

The Deputy Chairman: You will be accused of something else if you keep interrupting.

Mr. Martel: Would you throw him out, Mr. Chairman?

The Deputy Chairman: Just hurry up and finish.

Mr. Martel: The Solicitor General surely has to have better reasons than he has advanced so far as to why he will not accept the amendment presented by my colleague. He has to tell us why he thinks it is necessary for the government of Ontario to retain control of police commissions when these commissions, while really the creation of the province, are funded primarily by the regions. They should have the final say, certainly not the government.

As I understand it, the government does not pay a quarter of the cost of policing. That is not sufficient reason for the government to retain total control of what is ultimately going to be decided in each of the regional municipalities.

The Deputy Chairman: Is it the pleasure of the House that the motion carry?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Vote stacked.

On section 3:

The Deputy Chairman: Mr. Swart moves that section 3 of Bill 86 be amended to read:

"Subsection 80(1) of the Regional Municipality of Halton Act, being chapter 436 of the Revised Statutes of Ontario, 1980, is repealed and the following substituted therefor:

"(1) The board of commissioners of police known as the Haldimand Regional Board of Commissioners of Police is continued and shall consist of,

"(a) three members of the regional council

appointed by resolution of the regional council; and

"(b) two persons appointed by the Lieutenant Governor in Council."

Does any other member wish to participate in this debate?

Mr. Martel: No one wants to speak to it.

The Deputy Chairman: Just let us make sure. I would like to follow some procedure here.

All those in favour of the motion will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Vote stacked.

On section 4:

The Deputy Chairman: Mr. Swart moves that section 4 of Bill 86 be amended to read as follows:

"Subsection 91(1) of the Regional Municipality of Hamilton-Wentworth Act, being chapter 437 of the Revised Statutes of Ontario, 1980, is repealed and the following substituted therefor:

"(1) The board of commissioners of police known as the Hamilton-Wentworth Regional Board of Commissioners of Police is continued and shall consist of,

"(a) three members of the regional council appointed by resolution of the regional council; and

"(b) two persons appointed by the Lieutenant Governor in Council."

Is there any further discussion on this amendment?

Mr. Swart: I am not sure if there is anything further. We have not had any yet, Mr. Chairman.

The Deputy Chairman: I thought there might be.

Mr. Swart: I would just point out, Mr. Chairman, that it is obvious this section refers to the Hamilton-Wentworth area. Although within the regional municipalities we have dealt with so far a majority of the MPPs from those areas may be members of the government party, and perhaps even a majority of the municipal councils are members of the government party, here we are coming to the municipality of Hamilton-Wentworth. I want to point out that there the majority of the MPPs represent this party, the New Democratic Party.

If the Tories members want to have their areas where the police authority is one which is not accountable to the public, or the majority are not, that is fine, but at least we should be given the right where we have the majority of

the MPPs within a regional municipality, such as we have in Hamilton-Wentworth, to be able to have the kind of democratic police authority we want. Although they may have voted against the others, I plead with them to support the amendment they have before them at the present time.

The Deputy Chairman: Does any other member want to participate in this debate?

Some hon. members: No.

The Deputy Chairman: All those in favour of the motion will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Vote stacked.

The Deputy Chairman: The member was not in his right seat. He cannot vote.

Mr. Swart: Do not be so technical.

The Deputy Chairman: It is a very important job to be technical here. This House is—

On section 5:

The Deputy Chairman: We are now on section 5. The member for Niagara Falls.

Mr. Swart: Mr. Chairman, in the normal procedure I was wondering—

The Deputy Chairman: The member for Niagara Falls has the floor.

Mr. Kerrio: I have a motion on section 5, Mr. Chairman, and I think the normal procedure is that I should move my amendment.

Mr. Swart: Mr. Chairman—

The Deputy Chairman: I have recognized the member for Niagara Falls. On what basis do I recognize the member for Welland-Thorold?

9:40 p.m.

Mr. Swart: Mr. Chairman, I want to rise on a point of order.

The Deputy Chairman: On a point of order. I can hear you now.

Mr. Swart: I believe the amendment I propose to move comes ahead of the amendment which is being proposed by the member for Niagara Falls. The normal procedure is to deal with A, B, C in that order.

The Deputy Chairman: You have made your point. Can I ask the member for Niagara Falls to allow the member for Welland-Thorold to proceed first.

Mr. Kerrio: Certainly. I am here for proper, democratic parliamentary procedure.

The Deputy Chairman: Taking his point of

order as valid, I recognize the member for Welland-Thorold. Do proceed.

Mr. Swart moves that section 5 of Bill 86 be amended to read:

"5. Subsection 117(1) of the Regional Municipality of Niagara Act, being chapter 438 of the Revised Statutes of Ontario, 1980, is repealed and the following substituted therefor:

"(1) The board of commissioners of police known as the Niagara Regional Board of Commissioners of Police is continued and shall consist of,

(a) three members of the regional council appointed by resolution of the regional council; and

(b) two persons appointed by the Lieutenant Governor in Council.

Is the honourable member giving copies of these amendments to all parties?

Mr. Kerrio: No, he is not.

The Deputy Chairman: I would suggest the honourable member would want to follow the due course of decorum in this House.

Mr. Swart: Once again we have here an amendment dealing with a regional municipality in which I have a very real interest, a region where I served on one of the local councils for some 18 years and on the regional council for some three years. I think I can say I know both the feeling of that council and the feeling of the citizens of that area. They very much want this amendment to pass.

I know the member for Niagara Falls has a further amendment to the amendment I am proposing. As a matter of principle, I intend to support that when it comes before us. For that to be effective, we have to have this change so that we have three members of the police commission who will be appointed by the regional council. If we can get this change, then the amendment the member for Niagara Falls has becomes much more meaningful.

The Deputy Chairman: All those in favour of Mr. Swart's amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Vote stacked.

The Deputy Chairman: Mr. Kerrio moves that section 5 of Bill 86 be amended by adding thereto clause (c) as follows:

"(c) at least one member appointed by resolution of the regional council shall be an elected official of the city of Niagara Falls."

Mr. Kerrio: While to those other members in the Legislature tonight this may appear to be quite a parochial amendment, I would say at the outset I would accept from the minister any kind of an assessment of the situation whereby the major municipalities within a regional government would have a representative on the police commission.

While we put up with some of the inequities of regional government in many instances, this one is the most difficult to accept. That we could have a regional municipality such as the region of Niagara and not have a guarantee that Fort Erie, Port Colborne, Welland, Niagara Falls and St. Catharines—the major municipalities—are given the assurance of this government that they would have representation on their police commission, I find most unacceptable and I am not willing to live with that kind of assessment of the police commission and its function.

Let me address myself to the problems that might exist in a given municipality that would not necessarily exist in its neighbouring municipality. I put it to the minister that I am most willing to accept something in the alternative that would address itself to the problem I am going to describe to him.

The city of Niagara Falls has some 12 million to 15 million visitors coming through that municipality. The minister can see there are additional problems that might not exist in other municipalities within the region. We have a situation as a border community where the American state next to us, New York state, came down very heavily on those people who would pursue the things we are not too proud of in the areas of prostitution and other things that are abhorrent to us as a society. When New York state came down heavily on that situation as it developed in its cities, these people moved across the border and have become a great problem in the cities of Niagara Falls and Fort Erie in particular.

We have not been very successful with the federal government nor with the presentation by this government to be able to clean up that situation. We sit there with a council that is handcuffed because it not only lacks co-operation from the federal government, but it does not have representation on the police commission in this great and wonderful province of Ontario.

As have been described by members of this assembly, the minister has entrusted one of the major expenditures, that of education, to locally elected school boards, and he has taken many other areas of responsibility and passed them

down to elected representatives in the municipalities. I find it very difficult to accept the fact that he is not willing to budge on allowing every major municipality within a regional government to have at least one representative.

Hon. G. W. Taylor: In this particular case there are too many cities and not enough members.

Mr. Kerrio: George, it would not matter to me if you needed eight members. It is the one time I would not mind, an enlargement of a board or commission. I can certainly think of hundreds of boards and commissions across the province I would dispense with in order to have representation by the city of Niagara Falls on the police commission. That list could be quite long. The minister would have to concur with me that many of them are not needed and do not perform any kind of function that might be considered as meaningful as having representation on a police commission.

I would ask the assembly tonight, and the minister in particular, to really consider this. When his government enacted regional government we were told about the wonders of regional government and how it was going to improve on the efficiency of all these various involvements of the fire department, the police department and all the other things. So I ask him to consider giving every municipality within a regional government the opportunity to have representation on the police commission.

In some instances there might be a board member or two or a commissioner or two more than we are talking about as drafted in this legislation. I will accept that. I do not think my municipality would quarrel, considering the huge expenditure we have for the policing in our city, with having a representative from our fair city sit on that commission.

I ask the minister to reconsider. I hope his government and the people over there will realize that while I have made this amendment that might sound somewhat parochial, I am perfectly willing to accept his making every municipality within a regional government have an elected representative sit on the commission. I hope he will consider that in the light in which I have given it to him.

Mr. Swart: Mr. Chairman, I rise to support this amendment on behalf of our party. I realize it is put forward to make a point as a matter of principle, that perhaps it was impossible, at least in a short time, to have arrived at the total composition of the police commission and that

there can be problems in just saying that one municipality shall have it without covering others such as St. Catharines or the city of Welland. But I am also very much aware of the fact that in this particular situation Niagara Falls, because of its peculiar policing problems since it is on the border, does deserve to be assured that there should be an elected member from that municipality on that commission at all times.

9:50 p.m.

In fact, I am not at all sure that there should not be a look taken at the composition of commissions in all areas to be sure that the major municipalities in any regional government have representation. Sure, it is all right to say that the police shall be at arm's length, and that is true. It is also true to say that the commission itself should not be subject to every whim of every taxpayer in each municipality. But the ratepayers feel a lot more comfortable if they have one of their elected members sitting on the police commission and they feel they have access to that person.

Mr. Piché: I agree totally.

Mr. Kerrio: Right on, René.

Mr. Swart: Therefore, perhaps we should be taking a further look. As I stated previously, we did not want to disturb the composition of the police commission too much in the hope that the government might accept a minor change, a minor change in the sense that we are adding only one person to it but we would have a majority of elected people on that police commission. The government decided not to accept even our amendments that make the change of only one person, so we are prepared to accept this as a matter of principle from the member for Niagara Falls and vote in favour of it.

Hon. G. W. Taylor: Mr. Chairman, I have one brief comment on the amendment of the member for Niagara Falls to Bill 86. I think I will give him the challenge that if his amendment does not succeed but the legislation does, he will have ample opportunity to lobby the regional council of Niagara Falls so that the person they appoint by resolution can be the one from the city of Niagara Falls.

I thank him, though, for the copies of his amendments. They make it much easier.

The Deputy Chairman: Does any other member wish to participate in this debate?

All those in favour of Mr. Kerrio's amendment to section 5 will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

An hon. member: Stack it.

The Deputy Chairman: There are not enough members standing to stack that.

Mr. Kerrio: Here we are. We have got enough.

The Deputy Chairman: Stack it? The honourable members have to be in their seats. There can be a certain casual nature that goes on, but I saw five finally stand.

Vote stacked.

On section 6:

The Deputy Chairman: Mr. Swart moves that section 6 of Bill 86 be amended to read:

"Subsection 75(1) of the Regional Municipality of Peel Act, being chapter 440 of the Revised Statutes of Ontario, 1980, is repealed and the following substituted therefor:

"(1) The board of commissioners of police known as the Peel Regional Board of Commissioners of Police is continued and shall consist of,

"(a) three members of the regional council appointed by resolution of the regional council; and

"(b) two persons appointed by the Lieutenant Governor in Council."

Any discussion on this amendment?

All those in favour of the motion will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Vote stacked.

On section 7:

Mr. Swart: I have an amendment to section 7. Oh, is it not regrettable that the member for Sudbury has left?

The Deputy Chairman: Mr. Swart moves that section 7 of Bill 86 be amended to read:

"Subsection 39(1) of the Regional Municipality of Sudbury Act, being chapter 441 of the Revised Statutes of Ontario, 1980, is repealed and the following substituted therefor:

"(1) The board of commissioners of police known as the Sudbury Regional Board of Commissioners of Police is continued and shall consist of,

"(a) three members of the regional council appointed by the resolution of the regional council; and

"(b) two persons appointed by the Lieutenant Governor in Council.

Mr. Swart: Mr. Chairman, I had not planned to speak on this amendment, but with the absence of the member for Sudbury I think somebody should be speaking out on behalf of the citizens of that city. That city council in the past has voted repeatedly to have the majority of the members of the police commission elected. Surely they have the right to have those views expressed in this Legislature.

On behalf of the citizens of that city, I am happy to move this amendment and to tell the mayor that we in this party believe they should have that democratic right.

The Deputy Chairman: Does any other honourable member wish to participate?

Mr. Kerrio: Mr. Chairman, I rise to support the amendment of the member for Welland-Thorold. We on this side think the time has come when elected representatives are perfectly capable of providing the numbers to select from among their group representation on the various police commissions across this province. We feel this particularly when a city such as Sudbury says it supports the proposition that elected members are enough in numbers that the regional government could choose from among them enough people to give good representation for a given community.

I put that forward to reinforce my argument relating to the city of Niagara Falls. It seemed unconscionable to me the first time I was aware that we did not have anyone from the city of Niagara Falls sitting on the police commission. This was the situation, despite all our inherent problems in Niagara Falls such as I have described on section 5.

I will support the member's amendment, also suggest to the members on the government benches that they ought to have the member here who represent those communities and the interests of the people who elected them.

Mr. Martel: Mr. Chairman, I cannot help but make a few comments since this amendment applies to the great area of Sudbury. The former mayor of Sudbury, prior to his recent elevation was one of those who said quite categorically that the city and the region should appoint the greatest number of members to the police commission. He said it should not be the government of Ontario.

I checked with Canadian Press a few moments ago, and the CP reporter who used to be located in Sudbury well recalled that the member for

Sudbury called for more representation from the city than from the province. I suppose once one becomes elevated one forgets the things he spoke out on when he was the mayor and attacked the government of Ontario for appointing three out of the five members.

10 p.m.

The member for Sudbury said over and over again, "What the hell is Queen's Park doing appointing three out of the five members?" I said this earlier tonight. He has since departed the premises and has not come in to defend his position. This is not the first time. It is easy to take a position when one is in Sudbury and to be a pussycat when one is in Toronto. He is obviously feeling the heat and therefore has decided not to come in and repeat here what he said to the citizens in Sudbury.

Mr. Shymko: This is the guy who proposed a 12 per cent increase for his accommodation allowance.

Mr. Martel: If the member for High Park-Swansea wants to get involved—

The Deputy Chairman: Disregard the innuendoes and slanders.

Mr. Martel: —let me tell him I voted for that on the board.

The Deputy Chairman: Do not allow yourself to be deviated from the main purpose of—

Mr. Martel: I do not mind being deviated.

Mr. Shymko: The sanctimony of your side.

Mr. Martel: The hypocrisy from that side of the House is untenable, because we objected to that crazy bill the government brought in last year. We never accepted wage restraint.

The Deputy Chairman: The member is not speaking to the amendment.

Mr. Martel: It was those beggars—

Interjections.

The Deputy Chairman: Order.

Interjections.

The Deputy Chairman: The member will speak to the amendment.

Interjections.

Mr. Martel: It was his motion. That member beats his gums and there were four members of the Tory party who in this House voted for wage restraint and then offered themselves a bigger cut of the pie downstairs.

The Deputy Chairman: Pay attention to the amendment.

Mr. Martel: I opposed wage restraint and supported the other willingly, although it did not affect one of my colleagues. I will not name who it affected, but he and I both know who.

Some hon. members: Who?

The Deputy Chairman: The member is now going to speak to the amendment. Never mind the interjections.

Mr. Martel: When the member for High Park-Swansea interjects, he should know what he is talking about.

The Deputy Chairman: The member for Sudbury East is not usually distracted like this.

Mr. Martel: Mr. Chairman, you are right. I agree with you. I just thought I would throw that little remark in.

The Deputy Chairman: Is the member going to speak to the bill?

Mr. Martel: Yes, I am right on the bill except for the interjections. You might throw him out.

The Deputy Chairman: I would ask you first to speak to the amendment.

Mr. Martel: He does not know what he talks about. Anyway, back to the bill.

I recall the incident well when the province appointed Mr. Raymond—

Hon. Miss Stephenson: Here we go on another reminiscence.

Mr. Martel: No. It was the last couple of years. The government of Ontario appointed an insurance agent, a lovely fellow, to serve on the police commission in Sudbury. Who is he responsible to?

An hon member: He is a francophone.

Mr. Martel: We had a lot of councillors who were francophones. Is Guy Raymond, the insurance agent, subjected to facing the public when an issue arises by going to the polls? Certainly not. That is one of the reasons I believe we should have three out of the five representatives accountable to the voters in the Sudbury area. If those people over there do not believe in that sort of system, let them say so. When an insurance agent is appointed by the government of Ontario to join two other people who never face the electorate, there is something wrong.

I say to my friends across the way, I know they are like trained seals and will vote the way they are told to vote, but surely—

Hon. Mr. Elgie: Thank God for your intelligence.

Interjections.

The Deputy Chairman: The member is being provocative and is again—

Mr. Piché: Don't say "trained seal."

Interjections.

The Deputy Chairman: Order. The chair has had enough of these interjections. The member will speak to the issue and other members will stop interrupting or there will be some swift moves made by the chair.

Mr. Martel: Mr. Chairman, I appreciate your help, because to be able to rise above the seals over there is difficult. They are there to do nothing but put their hands up when they are told.

The Deputy Chairman: Speaking to the amendment.

Hon. Miss Stephenson: What are you there for?

Mr. Martel: They do not believe in local autonomy. Does the Minister of Education (Miss Stephenson) believe in local autonomy?

Hon. Miss Stephenson: Yes.

Mr. Martel: Well then, if the local residents of Sudbury and the region pay most of the tax bill for police, surely they should have entitlement to most of the members on the police commission. Would the Minister of Education agree with that? She has become silent all of a sudden, has she not? That is uncharacteristic of her. She will not answer that question, because it might fly in the face of the bill the Solicitor General is presenting to the Legislature tonight.

In fact the minister is saying she agrees that although the citizens of Sudbury pay the highest share of police protection, the province should have entitlement to most of the members on the police commission. That is what all the Tories are saying. They do not have the courage to say, "No, the taxpayers who pay the share of the bill should have members on the board who have to face the electorate, like we do."

I can only assume the reason the government of Ontario does that is so it can retain its control on police commissions. That surely is—I was going to say that is not cricket, but it is more than that. Surely it is not right that the Solicitor General can sit in his office, phone the police commission and say, "Now look boys, this is the way we in the province want it and this is the way you will do it," and he has three votes automatically out of five.

That is the reason he wants to retain it. He does not believe the local residents who foot the bill should have the final say. Surely there has to

be some common sense. The people who are on the commission, the overwhelming majority, should be responsible for facing an electorate somewhere down the line. If they are members of a council, either the regional council or Sudbury city council, somewhere along the line they are going to be answerable for their actions. What they are answerable to now is only the government of Ontario and they do as they are instructed or they will not be reappointed.

Surely we are beyond that stage. Surely somewhere there are people who make decisions ultimately and who are accountable to more than the Tory party. Surely it goes beyond that. If it does not go beyond that, somebody over there should have the courage—

Mr. Piché: It is not the Tory party. It is the government of Ontario.

The Deputy Chairman: You are doing it to them.

Mr. Martel: Am I doing it to them?

The Deputy Chairman: Do not listen to them then.

Mr. Martel: I want to try to get to them, because surely someone over there has to answer why they believe that the province, which pays a very small percentage of the cost, has the right to rule the police commission and its actions in Sudbury. The province does not pay the bill; it pays a small percentage of it. Does that give it the right to dictate what in hell is going to go on in Sudbury or Niagara or anywhere else? Surely that is up to the local people and the people who will be accountable to the residents in a regional government. They have to answer for their actions.

No one is accountable now except the two councillors. But the commission, if three are appointed by Queen's Park, does not answer to anyone but the government of Ontario; it does not answer to the local residents. Does the government understand that? If that is the way they want it, if they want a dictatorship, let them tell me so I will understand it.

10:10 p.m.

If they are saying the government of Ontario can dictate what is going to go on in Sudbury or Thunder Bay or any other region, let them say so. They should at least have the courage to put it on the table and say, "We want the ultimate say—not the region that pays the bill, but the province of Ontario—in what is going to happen." That is what they continue to retain for themselves.

I do not say that to the seals on the back

benches; they will just vote the way they are told. I remind the fellows on the back benches that they are not the government. Some of them like to believe they are, but they are just the trained seals. They might belong to the Tory party, they are supporters of the government, but they are not the government. It should never get to their heads that they are the government. They are just the puppets who put up their hands when they are told and put their hands down when they are told—

The Deputy Chairman: The member is proceeding to repeat himself a bit.

Mr. Martel: —and that is what happens.

Hon. Miss Stephenson: I object.

Mr. Martel: The minister can object all she wants. That is the reality.

The Deputy Chairman: Order. The member for Sudbury East will speak to the amendment.

Mr. Martel: A recent survey of the people of Canada, published in Ottawa, said that what parliamentarians do—parliamentarians; that is what we are supposed to be—is irrelevant. It is cabinet rule not only in Ottawa but also in every provincial government.

Interjection.

Mr. Martel: The Minister of Education should read some of it. She, who has never been on the back bench, does not have a clue.

An hon. member: Manitoba is included too.

Mr. Martel: That is right, including Manitoba. I do not disagree one bit with my friend. What we have moved away from is that back-benchers have a useful role.

Mr. Shymko: Is it any different in your party?

Mr. Martel: Not a bit.

Mr. Piché: I saw your party undivided over there. If one gets up, everybody gets up. My God! If you think we are trained seals, what about you? You always vote in blocs.

The Deputy Chairman: Order. The member for Cochrane North (Mr. Piché) is not in control of the floor. The member for Sudbury East—

Mr. Shymko: He is accusing us of being trained seals.

Mr. Foulds: And so you are untrained seals.

The Deputy Chairman: If the member for Sudbury East has anything further to add; maybe the member is finished?

Mr. Martel: No. I want to pick up where I left

off. I want to say to my friend the member for Cochrane North—

The Deputy Chairman: The clock is moving.

Mr. Martel: —that the guy who led the attack against the Manitoba government was a New Democrat.

The Deputy Chairman: The member for Sudbury East should be reminded that we are moving towards the hour of 10:15.

Mr. Martel: I know what the time is. I can tell time. Mr. Chairman, I learned how to tell time yesterday.

Hon. Miss Stephenson: Really?

Mr. Martel: Right. I want to tell my friend the member for Cochrane North that the attack on behalf of French people and French rights in Manitoba—

The Deputy Chairman: The member will speak to the amendment.

Mr. Martel: —was led by a member of my own party, a guy by the name of Doern.

The Deputy Chairman: The member for Sudbury East has been asked for the last time—

Mr. Martel: Maybe my friend should get a little gumption once in a while.

The Deputy Chairman: —to speak only to the amendment or to take his seat.

Mr. Martel: I try to, Mr. Chairman. You are the one who does not keep them under control.

The Deputy Chairman: I am telling you now that I have warned you for the last time.

Mr. Martel: You can warn me all you want. They are the people who are interjecting.

The Deputy Chairman: I am asking you now—

Mr. Martel: Why do you not control them?

The Deputy Chairman: Do not debate with the chair; speak to the amendment.

Mr. Martel: I am right on the amendment. They are the people who continue to interrupt, and you do not stop them.

The Deputy Chairman: Speak to the amendment.

Mr. Martel: That is not my fault; it is yours. If you want to let those seals interject so I cannot get in a word—

The Deputy Chairman: The member is not speaking to the amendment.

Mr. Martel: Then I suggest that you quiet them, permanently. Throw a couple of them out of the House so I can continue my remarks,

which are very brief, except that I cannot get a word in.

The Minister of Education should look at the last study out of Ottawa about the relevance—

The Deputy Chairman: We have reached the stated hour, and I would ask the honourable member to resume his seat.

Mr. Martel: On the subject of Sudbury—

The Deputy Chairman: The member for Sudbury East will take his seat. I do not recognize the honourable member. We are at the stated hour of 10:15. It is the time when there will be a stacked vote. We will have a 10-minute bell, at which time we will take the roll call.

Interjections.

Mr. Martel: It is 10:13.

Mr. Deputy Chairman: No. We can come back in committee at another time. We will resume on this clause when we go back in committee. I am saying the honourable member has reached the time when the bells may ring.

Mr. Martel: I am looking at the clock.

The Deputy Chairman: That clock is slow. I am going by the one at the side.

Are they calling in the members? I have ordered that they be called in. There is a 10-minute bell.

Mr. Martel: Could you tell me under what rule you are—

The Deputy Chairman: Section 95(b).

10:26 p.m.

The Deputy Chairman: As per the agreement, unanimously given by the House, we stacked the votes until 10:15 and the bells were rung. We have a number of amendments before us.

The committee divided on Mr. Swart's amendment to section 1, which was negated on the following vote:

Ayes 30; nays 50.

The Deputy Chairman: Shall section 1 stand as part of the bill?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Section 1 agreed to.

The Deputy Chairman: The second amendment is that section 2 of the bill be amended to read—dispense? Agreed. Same vote?

Mr. Foulds: Mr. Chairman, you have to call it

first; then you can ask if it is the same recorded vote.

The Deputy Chairman: All those in favour will please say "aye."

All those opposed will please say "nay."

You are either standing or sitting. Is it the same vote?

Some hon. members: Yes.

Interjections.

The Deputy Chairman: We have done the ayes and nays. Is it the same vote? That is all I ask.

Some hon. members: Yes.

The committee divided on Mr. Swart's amendment to section 2, which was negated on the same vote.

Section 2 agreed to.

Interjections.

The Deputy Chairman: Order, please, honourable members.

10:30 p.m.

The committee divided on Mr. Swart's amendment to section 3, which was negated on the same vote.

Section 3 agreed to.

The committee divided on Mr. Swart's amendment to section 4, which was negated on the same vote.

Section 4 agreed to.

The committee divided on Mr. Swart's amendment to section 5, which was negated on the same vote.

The committee divided on Mr. Kerrio's amendment to section 5, which was negated on the same vote.

Section 5 agreed to.

The committee divided on Mr. Swart's amendment to section 6, which was negated on the same vote.

Section 6 agreed to.

The Deputy Chairman: We have no further votes. We will continue debate on section 7 when the committee is back in session.

On motion by Hon. Mr. Wells, the committee of the whole House reported two bills with certain amendments and progress on one bill.

VOTING ARRANGEMENTS

Mr. Martel: On a point of order, Mr. Speaker. I want to draw to your attention a new procedure which was adopted by the Chairman of the committee of the whole House a while ago.

We had agreed we would stack the votes until approximately 10:15 and thereupon vote, which we have just done. At about 10:15 I was making a few comments with respect to an amendment to section 7 of a piece of legislation. Rather than allowing me to finalize those comments, the Chairman decided on his own that he would write a new rule into the legislation of Ontario governing the rules of the Legislature.

He quoted 95(b) as being the reason he could cut right into the middle of some comments by a member and order that the bells be rung. Let me quote it: "With unanimous consent, divisions in committees of the whole House may be deferred. The members may be called in once and all deferred divisions taken in succession . . ."

We had indicated to the government we were prepared to do that, Mr. Speaker. I have no hesitation in saying it was an all-party agreement that would occur. What I resent though, and I feel it is a new rule developed by the Chairman, is that while I was in the process of making a few remarks and winding down those remarks, the Chairman decided he would start to ring the bells at precisely 10:15.

This is uncalled for. It is a new rule. I would ask that this not be allowed to continue to occur. Otherwise, there is simply no way that I, as House leader for this party, am prepared to reach any type of agreement which requires unanimous consent, if some Chairman determines on his own hook that within a minute he is going to cut it all off and not let some member finish his remarks, which might take a minute or a minute and a half.

Mr. Speaker, you are not going to get agreement of that sort if the Chairman thinks he can write a new rule for the Legislature of Ontario. I would ask you to look into this matter and advise this Chairman that he should have waited until I completed my remarks because I was party to the agreement. I was not going to spend a lot of time; however, I think I am entitled to

finish my remarks without the interventions of a Chairman who then proceeds to ring the bells.

Mr. Kerrio: Mr. Speaker, I would like to speak to this point of order. I think there should be some clarification made on this particular issue which has been raised by the member for Sudbury East (Mr. Martel).

I represent a party which has supported the amendments which were put by the member for Welland-Thorold (Mr. Swart). It is very unusual, in this particular circumstance, that we had about five or six sections of the bill where one was just a repetition of the other. All of the comments and arguments had been made when the member for Sudbury East decided to participate in the debate. At that point, it seemed that he was just participating in a way which would add some length to the debate. It was absolutely not necessary, added nothing to the whole process and really was kind of detrimental to the process.

Mr. Speaker, it is a House rule and he should know better.

Mr. Speaker: Order. The member for Sudbury East has raised a point of order. I am not prepared to make a ruling on it at this point because I do not know what agreements were made or not made. I will have to look into it and report back.

Mr. Foulds: Mr. Speaker, while you are examining the precedents around this matter and researching the incident which took place, could I draw to your attention that in my memory of this House over the last 12 years it has been the usual practice for either the Speaker or the Chairman, when the termination of a debate appears likely, to request the member to find a convenient time in his remarks to either conclude or adjourn the debate.

A request for adjournment of the debate might have been appropriate, but in our view an arbitrary ringing of the bells was not appropriate.

The House adjourned at 10:39 p.m.

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Hansard

Official Report of Debates

Legislative Assembly of Ontario

Third Session, 32nd Parliament
Wednesday, November 9, 1983

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

Wednesday, November 9, 1983

The House met at 2 p.m.

Prayers.

VOTING ARRANGEMENTS

Mr. Speaker: At the request of the member for Sudbury East (Mr. Martel), I have reviewed the proceeding in the committee of the whole House last night. I find that when a standing vote was required on the first amendment to Bill 86, the Deputy Chairman asked for and received the unanimous consent of the committee to defer all divisions of the bill before it until 10:15 p.m. At that point he was required to cause the division bells to be rung to call in the members to vote on all the deferred divisions.

Although standing order 95(b) does not state the time at which the members are to be called in for all the deferred divisions, a committee of the whole House may define on its own initiative the time at which the Chairman shall call in the members. When the time has been reached at which the committee has instructed the Chairman to call in the members, the Chairman must abide by the instruction of the committee unless the committee orders otherwise.

Mr. Martel: Right, especially when you are in on it. Mr. Speaker—

Mr. Speaker: There was nothing out of order.

Mr. Martel: Mr. Speaker, I beg to differ.

Mr. Speaker: You may do—

Mr. Martel: When the Chairman in his place determines that he will not ask a member if he can find a convenient place to terminate his remarks—Mr. Speaker does that all the time himself—

Mr. Speaker: Order, please.

Mr. Martel: It is the manner in which that man conducted himself when he was supposed to be organizing the business of the House.

Mr. Speaker: Order. The honourable member will resume his seat, please.

Mr. Martel: It will be a long time before there is a stacked vote as far as we are concerned—

Interjections.

Mr. Speaker: That is a matter of little or no interest to me. Quite obviously, there was unanimous consent and that will carry on.

STATEMENT BY THE MINISTRY

FAMILY VIOLENCE INITIATIVES CO-ORDINATOR

Hon. Mr. Welch: Mr. Speaker, last Tuesday I joined my colleagues, the Provincial Secretary for Justice (Mr. Walker) and the Provincial Secretary for Social Development and acting Minister of Community and Social Services (Mr. McCaffrey), in announcing a number of initiatives to help victims of family violence. At that time, I was pleased to inform the House that one of the key initiatives in the government's integrated approach to the problems of family violence would be the appointment of a provincial co-ordinator of family violence initiatives within the office of the Deputy Premier.

I believe the establishment of the provincial co-ordinator's position is of the utmost importance to the overall concerted approach announced by the government. The issue of family violence is enormously complex and requires an integrated and comprehensive effort by the various ministries of the government, community agencies and individual citizens. The new position of provincial co-ordinator of family violence initiatives, located in the Ontario women's directorate, office of the Deputy Premier, will ensure that Ontario's response to the needs of victims of family violence will be co-ordinated and strong.

Further, the immediate appointment of the provincial co-ordinator is essential so that discussions can begin at once with other levels of government, particularly the federal government, to launch a concentrated effort to resolve the issue of adequate, stable funding for shelters for battered women. That is why I informed the House on November 1 that further details on the appointment would be forthcoming in a week's time.

I am pleased to be able to announce to the House this afternoon that Jill Logan has agreed to become the provincial co-ordinator of family violence initiatives. Jill Logan has worked within the Ontario civil service for more than 10 years and has carried out a variety of responsibilities in intergovernmental finance policy within the Ministry of Treasury and Economics. Most

recently, in addition to holding the position of senior policy adviser for federal-provincial programs, Jill acted as assistant deputy secretary to the cabinet committee on federal-provincial relations.

During the course of her work on federal-provincial financial arrangements, Jill participated in a number of committees reviewing such matters as residential services, services to Indians, services to young offenders and manpower training programs. She was also very much involved in developing the provincial response to federal funding proposals for health, post-secondary education and social services.

I am convinced that Jill's experience in federal-provincial financial and program negotiations, as well as her personal interest in the social issues surrounding this problem, make her a very good choice for this very important position.

In her new role, Jill Logan will co-ordinate the Ontario government's efforts to address the problem of family violence and will help us to assess and prioritize projects to respond to specific problems facing victims.

As a first step, she will move immediately to convene a steering committee of involved ministries within this government. Second, she will be liaising with community groups providing shelter and other services to victims of family violence, to obtain their views and co-operation in developing a comprehensive approach to funding and public education.

Third, the provincial co-ordinator will be participating along with other provincial ministry representatives in discussions with the federal government to provide appropriate and balanced funding over the long term.

Fourth, the provincial co-ordinator will launch a widespread public education and information program to illustrate the dimensions of family violence, assist victims in locating necessary information sources and enlist the understanding and co-operation of all our people.

With Jill Logan in the position of provincial co-ordinator of family violence initiatives, the issue of family violence will receive the leadership and focus that is required to address this very urgent public concern.

Mr. Speaker: Oral questions. The leader of the Opposition (Mr. Peterson).

2:10 p.m.

HYDRO REACTORS

Mr. Peterson: Mr. Speaker, in committee this morning, the Minister of Energy (Mr. Andrewes) promised us a statement answering several

questions I have asked in the House. I am wondering whether he wants to make that statement now.

Mr. Speaker: The time for statements by the ministry has gone, and we are into oral questions now.

Mr. Peterson: Mr. Speaker, you can certainly understand the dilemma. I know he has a very long response. He said it was a detailed, complicated response to several questions we had asked. He said he would have it in the House this afternoon. To assist him, I thought we would give him an opportunity to make that statement now.

Mr. Speaker: If the minister wants to revert to statements, he may make a motion.

Hon. Mr. Andrewes: Mr. Speaker, I have no statement. I propose to table the questions if that is agreeable.

Mr. Speaker: Agreed?

An hon. member: Agreed.

Hon. Mr. Andrewes: I will have to locate the various copies of those questions from the Leader of the Opposition.

Mr. Peterson: He said he was going to read them.

Mr. Speaker: No. He said he was going to table them.

[Later]

Mr. Speaker: I have been advised by the Minister of Energy (Mr. Andrewes) that he either has or will table the answers to three questions in great length and detail.

Hon. Mr. Andrewes: Mr. Speaker, I undertook to provide information in response to questions asked by the Leader of the Opposition (Mr. Peterson) and by the member for Grey-Bruce (Mr. Sargent) with respect to significant event reports, garter springs in Ontario Hydro reactors and radiation exposure to workers during reactor retubing. I would so table those answers [see appendix, page 2968].

ORAL QUESTIONS

MUNICIPAL TRANSFER PAYMENTS

Mr. Peterson: Mr. Speaker, I have a question for the Treasurer. I would like to get a clarification from him with respect to his statement yesterday. Regarding transfer payments, he said:

"We will assure the continuation of restraint by placing clear limits on funding for all public sector wage increases during the coming year.

Our grants and transfers to municipalities, school boards, universities and other publicly funded institutions, as well as allocations for our own civil servants, will provide for average compensation increases of up to five per cent for a group."

There is some confusion, or at least I do not understand it. Is the Treasurer now saying that his transfers to these various sectors, i.e. the municipalities, will be at five per cent? Or is he saying he will calculate his transfers assuming a five per cent increase in wages but making allowance for other increases and expenditures? Which is it?

Hon. Mr. Grossman: The latter, Mr. Speaker.

Mr. Peterson: Is the Treasurer now saying that municipal transfers—and I use that only as one example—will go up by more than five per cent? Is he committing himself that he will not put the burden of higher arbitration awards, which are not going to be regulated, on the municipalities? Is he going to allow them extra if they get an arbitration award higher than five per cent?

Hon. Mr. Grossman: No. Let me clarify this, as I did late yesterday. It was among the last questions asked yesterday.

In the case of almost all municipalities, the ultimate transfers will be at a rate different from five per cent when all the other factors are taken into account. They will be predicated upon the total compensation package—not just wages but all compensation costs—increasing by five per cent.

In the case of school boards, municipalities, hospitals and others, each of them has different factors built into its increasing costs for all the other activities it undertakes. We will try to arrive at a fair figure for all those other activities. This will produce an ultimate, final, overall transfer for each one of them. We are attempting to have that for them within four weeks.

Mr. Foulds: Mr. Speaker, can the Treasurer explain a little bit more clearly than he did yesterday his authority for the five per cent figure? Is it just the fact that he controls the purse-strings? I did not find it in the legislation. And can the Treasurer further explain why there is no termination date on the legislation?

Hon. Mr. Grossman: Mr. Speaker, as the honourable member will see in the legislation, the ability to pay and other matters are to be determined in the light of existing provincial fiscal policy.

Mr. McClellan: So this could change on a whim?

Hon. Mr. Grossman: No, it will not.

Mr. Speaker: Never mind the interjections, please.

Hon. Mr. Grossman: The criteria will be set out for the board by way of an indication from the Treasurer on behalf of the government to the Inflation Restraint Board. That will be published in the Ontario Gazette, and it will be very simple; it will be five per cent for the duration of this year.

Mr. Peterson: Now that I understand municipal transfers—to use them as an example—will go through on the basis that there will be an increase of five per cent in the compensation component of their transfers, which is fair enough, I have a question for the Treasurer.

The Treasurer is proposing amendments to the considerations that an arbitrator has to take into account. He will be aware that Harry Arthurs, an authority on these matters, said this morning that the new rules would require an arbitrator to consider only such factors as the employer's ability to pay. It is quite conceivable that certain of these agencies will have wage settlements higher than five per cent. How is the minister going to assist those municipalities that are in that situation, or is he going to transfer this burden on to the property taxpayers?

Hon. Mr. Grossman: Quite the reverse. The municipalities, schools boards, certain universities and other public sector employers were among those who suggested they would be greatly aided, at least in terms of understanding that the arbitration procedure was fair, if an ability-to-pay provision were put in the legislation. We have decided to follow that route. Quite frankly, we are not sure what impact that will have, because I presume many arbitrators are already taking ability to pay into account. If they have not been, they should have been.

With respect, I do not think the scenario the Leader of the Opposition is painting is one that is likely as a result of the amendments we have put into the section. They were put in there precisely to protect the property taxpayers against an arbitration that does not take into account their ability to carry the costs.

HYDRO REACTORS

Mr. Peterson: Mr. Speaker, I have a question for the Minister of Energy, following some discussions we had this morning in committee

and anticipating perhaps a response he may have to my questions today.

One of the very serious questions involved in the retubing of Pickering, should that be necessary, is the exposure the workers will have to radiation. He will be aware, no doubt, of the various studies on that subject. Indeed, the latest one we have, in April 1982, the application of shuttle remote manipulator systems technology to the replacement of fuel channels in the Pickering Candu reactor—that is, the Spar Aerospace study—operates on the premise that it would take one year to retube one generator and would expose work crews to a minimum of 4,000 man-rem for tube disassembly and replacement.

Given the fact that the federal standards limit one's exposure to five rems per year and that there could be 1,000 workers per reactor, so that for four reactors it could be 4,000 workers or man-years of work over a long period of time, what is the safety factor the minister is calculating? How much radiation is he prepared to expose those workers to, and what are the standards at this time?

Hon. Mr. Andrewes: Mr. Speaker, the Leader of the Opposition is correct. The standard is five rems.

Mr. Peterson: Is the minister aware that Ontario Hydro's standard, in spite of the federal standard, has been about one rem per year? Indeed, at Pickering the average exposure has been 0.8 rems and across Hydro it has been 0.6 rems. Is he prepared to expose Hydro workers to five times more radiation on average than they have received up until this time if a retubing is necessary?

Hon. Mr. Andrewes: I am confident that Hydro will take every precaution to live within the limits. The safety precautions are in place at Pickering, as the Leader of the Opposition is well aware. On one occasion he managed to find himself caught in that difficulty and had to go through a process of decontamination. I am confident that Hydro will live within the guidelines of the Atomic Energy Control Board.

The whole question of retubing, as was suggested this morning, is still up in the air. The whole question of technology is being developed that will reduce the exposure of workers. The question of decontamination of reactors prior to any kind of work, such as retubing, is still being developed and new technology may

be going to be available that will reduce that kind of exposure.

2:20 p.m.

Mr. Foulds: Mr. Speaker, did the minister not find it disturbing this morning that in the estimation of costs for retubing, Hydro admitted before the committee that the costs of the new tools in order to avoid the contamination of workers had not yet been developed, that they were at only a preliminary design stage?

Further, has the minister had an opportunity to talk with his House leader about the minister's commitment that there would be a meeting of a committee of this Legislature with Hydro officials before Pickering unit 2 is brought back on stream?

Hon. Mr. Andrewes: Mr. Speaker, the answer to the latter question is no, I have not had an opportunity to discuss that with the House leader. I think the undertaking was that members would be allowed some forum in which they could come and pose questions to representatives of Hydro and, if they like, Atomic Energy of Canada Ltd. before the startup of the Pickering unit 2 reactor.

The question of the preliminary design on the Spar Aerospace technology is at the present time being addressed quite seriously in terms of capital investment by the Hydro board. It is being advanced as quickly as possible. It was not advanced as it was proposed earlier because of the thought that those tubes would outlive their anticipated lifespan and that retubing would not have to be undertaken in those reactors before the latter part of the 1980s.

Mr. Peterson: Mr. Speaker, again, how many workers will it take to retube those reactors? How many will it take for one reactor? How many for all four reactors? Is the minister now prepared to expose those workers to five times the radiation on average that they have received working for Hydro up until this time?

Hon. Mr. Andrewes: Mr. Speaker, the Leader of the Opposition has posed the question of how long it would take. It would take 15 months. What rate of radiation dose is anticipated? The radiation dose is somewhere between 1,000 and 2,000 rems to the worker population, and I am confident that Ontario Hydro will live within the five-rem guideline. Provided that the technology and the techniques of decontamination develop, as it appears they might, that five-rem guideline could be reduced further.

INFLATION RESTRAINT LEGISLATION

Mr. Foulds: Mr. Speaker, I have a question

for the Treasurer. Yesterday the Treasurer said in response to a question from the leader of the New Democratic Party:

"As I indicated in the statement, there are anomalies and problems that crop up in these things, and one of the reasons we have opted for this very, very flexible program is that all of those, I believe, can be accommodated in this current year."

Can the minister tell me what specific measures he plans to take so that the injustices and the inequalities that he admits occur in the rollback and the payback cases, such as the Sensenbrenner, Van Daele Manor and Pinewood Court nursing home cases, can be remedied this year under this legislation?

Hon. Mr. Grossman: Mr. Speaker, the purpose of the legislation, of course, is to allow the flexibility out there for the parties to sort these things out themselves. That flexibility is clearly out there, and that would make it inappropriate for us to determine or lay out a plan that must be followed in order to deal with those problems.

I should also specify that all I have indicated is that in the Sensenbrenner situation it seemed to us to be fairly clear that the result of the enforcement of the legislation, which the Inflation Restraint Board seemed to have no discretion in enforcing and could not enforce under the legislation, was not the intended impact of the legislation. Therefore, without passing judgement on the decision of the Inflation Restraint Board, all I can say is that it was a necessary consequence of that piece of legislation.

The proper word for all of these things is "anomalies." Everyone wants to place a value judgement on these things as to whether an injustice has been done in one case as against another. All we can say is that with any firm restraint program, such as the one that was required last year, there are going to be unanticipated pressures and inequities that crop up the longer they go on, and now I think they have the option to redress some of those things.

Mr. Foulds: I have difficulty in following the Treasurer's logic. Under Bill 179, the old legislation, there was this specific clause, "The Lieutenant Governor in Council may make regulations . . . terminating in whole or in part the application of this part in respect of a compensation plan or compensation plans to which this part applies." In other words, there were regulations or powers to the cabinet to exempt agreements, compensation plans and rollbacks. Why that was not used?

Can he tell me why the Premier (Mr. Davis), in a letter to the nurses at the Thunder Bay Home for the Aged—not the Pinewood Court home but the Thunder Bay Home for the Aged—said: "Under the provisions of the act the board's decisions are final and binding and cannot be appealed to cabinet"?

Who is right? Is it the Premier in his letter, the legislation as I understand it, or the Treasurer, who has said to us when we raised these questions, "Bring them to me on a one-to-one basis and I will find some flexibility for you"?

Hon. Mr. Grossman: Let me be clear, as always. The Premier is right among those three choices. He is right because he has interpreted the legislation properly, not surprisingly.

Might I also say what I indicated was that in those circumstances, without passing judgement as to whether there was an inequity or an injustice done, there is now flexibility for certain of the parties to redress some of them. If the parties cannot figure out how they might accomplish that, then obviously the Inflation Restraint Board would be happy to discuss the operation of the new legislation with them and assist them in finding mechanisms within the scope of the five per cent transfers for them to adjust those perceived inequities.

Mr. Peterson: Mr. Speaker, if the Premier is correct in his interpretation of Bill 179 then there is nothing the Treasurer can do. He does not have the flexibility under that legislation to change his mind, except to bring new legislation into this House to exempt the Sensenbrenner Hospital workers in that situation.

Is it the Treasurer's intention to bring legislation into this House to exempt that situation, or is he going to support the private member's bill that we have presented in this House to rectify that injustice immediately?

Hon. Mr. Grossman: No, Mr. Speaker, I am sorry. The point I was making was that under the new legislation—

Mr. Peterson: I am talking about new legislation.

Hon. Mr. Grossman: —let me finish—there are certain steps we believe can be taken within the flexibility of the new legislation that will address and remedy some of the injustices that occurred last year, so that an amendment to Bill 179 is no longer necessary.

Mr. Foulds: If this act, if I recall correctly, comes into effect as of the first of the month and therefore it has no retroactivity with regard to Bill 179, which lapses, can the Treasurer tell me why he is taking no steps so that the injustices

that we have enumerated, and that the government has agreed to, have no remedy except to war among themselves?

He has allowed no ability for catch-up, he has allowed no ability for arbitrators to make their usual judgements in their usual framework, which is comparability in other sectors.

Can he tell me how he expects arbitrators to take into account government fiscal policy when he has failed to enumerate that government fiscal policy?

Hon. Mr. Grossman: Let me be clear. There is nothing in what has been done, nothing in the two terms we have added to arbitration, that would stop the arbitrator from addressing those kinds of questions. How that arbitrator might choose to deal with them, of course, remains in the hands of the arbitrator. If we had chosen to stop that we would have gone to another piece of legislation more akin to Bill 179.

The whole point I am making is that all of these matters can be addressed by the arbitrator or by the parties in their normal collective negotiations. Let me also make clear that there is nothing in here whereby we have agreed that those are injustices. In fact, what we are saying is something else. We are saying that for those parties—

Mr. Foulds: You sure are. You are saying one thing in here and one thing in the legislation.

Mr. Speaker: Order.

2:30 p.m.

Hon. Mr. Grossman: That is not so. Those parties who feel aggrieved, those parties who feel that anomalies have cropped up that they wish to address, now have the freedom and flexibility, both between employees and between employee and employer, to remedy those injustices.

Mr. Foulds: You are going to do nothing for them.

Hon. Mr. Grossman: It would become an exercise that would only duplicate what can be sorted out by the parties if we were to come back in here with a piece of legislation amending a bill that is about to expire in terms of its effectiveness on the coming year.

We have provided this fairness and flexibility in the new legislation so it can be sorted out by the parties. What more could they ask?

SINGLE PERSONS HOUSING

Mr. McClellan: Mr. Speaker, I have a question for the Minister of Municipal Affairs and Housing based on the final report of the Metro-

politan Toronto Task Force on Housing for Low-Income Single People, which I have.

The report states there is "no clear mandate for ensuring the affordability of housing for low-income single people" and goes on to point out that there is a range of programs for people like low-income families, senior citizens and disabled individuals. They point out that low-income single people have been excluded from assisted housing to date and consequently must rely on the private sector rental market. This has been government policy for a number of years.

Given that the report states in its conclusions that the new construction of affordable units suitable for single people is not going to happen in existing market conditions and that the only solution to providing affordable housing for low-income single people will be government assistance, specifically provincial government assistance, may I ask the minister when he intends to change the current provincial policy, which excludes low-income single people from access to assisted housing programs?

Hon. Mr. Bennett: Mr. Speaker, we have rather clearly indicated that it is not a mandate of the ministry. The report is exactly right.

I want to advise this House that I have not suggested to cabinet, to the Treasurer of Ontario (Mr. Grossman) or to the Premier (Mr. Davis) that we should expand the mandate of this ministry. Indeed, in our discussions just a week or so ago with the federal minister and my colleagues from across Canada, this very point came into the discussion and I did not see any desire to move in that direction.

We believe that through some of the programs we have established under the rent supplement program, through the convert-to-rent program, they very well could find there are people in the private sector who are prepared to try to develop units for low-income single people.

Indeed, I look back on some of the things that have happened in this very community. Some corrections in zoning could have been made to allow a certain number of units to stay in existence, but they were put out of use and, frankly, it was in an area where they were desperately needed. That was a municipal responsibility.

Mr. McClellan: I think the minister is attempting to create some confusion. The report deals specifically with the new convert-to-rent programs and the add-a-unit program that was announced last August, I believe, and it points

out: "The units created will not be regulated by rent control legislation. Rents will only be scrutinized by the province in the first year." The existing policy of excluding low-income single people from these programs continues to apply.

Does the minister not understand the extent of the housing crisis in this province, which not only affects family units but is absolutely critical for the many thousands of low-income single people who have been hardest hit by the current depression? Surely it makes sense for the government, in the light of the extent of the crisis, to accept the recommendations of this report and specifically, for example, adapt the convert-to-rent program and the add-a-unit program, change the policy so that these programs are available for low-income single people on an affordable housing basis.

Hon. Mr. Bennett: I want to emphasize again that it is not my intention to recommend to the government that the policy be changed in this area. I put it in a very clear form to the members of this Legislature and to the public of this province. We have taken unto the government a requirement of providing social housing, some 115,000 units at a cost to the taxpayers of this province of \$350 million in the current year, and we continue—

Mr. McClellan: Federal money.

Hon. Mr. Bennett: It is not the federal budget. I hope the member might want to spend some time in the estimates that are coming up for the Ministry of Municipal Affairs and Housing. He will see clearly there is a substantial amount of money paid by the people of this province in maintaining the public housing portfolio of Ontario. It is not my intention to recommend a change in policy to the government.

Mr. Cassidy: Mr. Speaker, I draw your attention to the minister's statement in Ottawa yesterday when he said, "Emergency shelter is not an issue with my ministry." My question to the minister, the member for Ottawa South, is, are the people who need emergency shelter because the vacancy rates in Ottawa are two tenths of one per cent not an issue with him as a member or with his ministry?

There are people who need emergency shelter because they cannot pay more than \$400 a month, which is the cost of a one-bedroom apartment in Ottawa now. Is that not an issue with him as the member for Ottawa South or with his ministry? Are 500 homeless people in Ottawa not an issue with him as the member for

Ottawa South or as the minister of housing? Is that not an issue?

There is a newspaper article on Joe Vice, a disabled paraplegic who was at the top of the Ottawa housing list but has had to be in emergency shelter for eight months in the Ottawa Young Men's Christian Association. Is that not an issue with the minister, the member for Ottawa South? If it is not, why does he not move over and let a minister of housing come in who has compassion for people in need in Ontario?

Mr. Speaker: Order. I must advise all honourable members that when they are placing questions to the ministries they must refer to matters pertaining to the ministry and not to the constituency or the riding of the member involved.

Hon. Mr. Bennett: Mr. Speaker, it is interesting that the member for Ottawa Centre should say he is quoting. He is looking at a story in the Ottawa Citizen of today. If he reads the article, and I doubt he has read the whole thing—indeed, he was not present when I made the remarks—

Interjections.

Hon. Mr. Bennett: If the seals over there would stop for a moment and listen, I said clearly at the time when asked about the emergency shelter that the member for Ottawa Centre has been yelling about that, as he should know, emergency shelter is not the responsibility of the Ministry of Municipal Affairs and Housing. I made it clear that the municipality has the right to request of the Minister of Community and Social Services (Mr. Drea) the appropriation of funding for emergency shelters.

That is exactly what I said. At no time did I use the expression, "I am not concerned" or "not interested." I was trying to define the fact that the Ministry of Municipal Affairs and Housing is not the one that will be supplying that type of accommodation. I am concerned; I am concerned for what we are doing in the field of housing for those less fortunate in this province.

Back on August 26, I clearly enunciated to the Association of Municipalities of Ontario the fact that this government with its policy was going to expand the potential of the number of rent-support units in Ontario. I said that clearly and distinctly to the city of Ottawa, to the city of Toronto, to Metropolitan Toronto and to the other jurisdictions in this province.

I said what we were looking forward to was to increase the number of rent units on a supplement basis, from 25 per cent of the ratio to 35 per cent with an additional five per cent—and I

trust the member did read the newspaper—for those who are mentally or physically handicapped. That was a bonus position. We were going to provide that and we made only one request of the municipalities, the housing authorities and the nonprofits. That was clearly to get to one common waiting list in this province for each jurisdiction, based on need rather than a first come, first served basis.

That offer is out to the various housing authorities and municipalities across this province. I have no doubt they are going to accept it. I want to say once again that while we have been able to do that in the provision of additional housing, at the same time we have gone through the Ontario rental construction loan program, the renter-buy program, which freed more and more rental units and, indeed, through the provision of the agreement with the government and the lending program, a percentage of the available units will have come to the housing authority.

We also offered the same opportunity to the private nonprofits and the co-ops under the Ontario community housing assistance program. I might say they have been much appreciated.

MALVERN SOIL CONTAMINATION

Mr. Elston: Mr. Speaker, I have a question for the Minister of Intergovernmental Affairs in his capacity of being in charge of the Malvern soil removal situation. I acknowledge the withdrawal of Bill 174 yesterday and the initiatives announced at the meeting on November 7 by the minister and others.

2:40 p.m.

There are, however, a number of questions that remain unanswered about the Malvern soil matter. Among those are whether the minister is going to have the soil removed from under the basements of those houses, whether he is going to monitor the health effects on the residents of the area, whether independent tests will be taken of the radioactive levels there and whether there will be a firm date fixed for the removal of that soil. My question to the minister is, when does he intend to provide us with answers to those questions?

Hon. Mr. Wells: Mr. Speaker, I think those questions my friend is reading are from a document that was handed to us at the meeting indicating a number of questions the residents wanted answers to. Those answers are all being prepared by the technical staff of the office of low-level radiation management and are going

to be delivered to each of the homes in the Malvern area.

In addition to that, the information officer for the office of low-level radiation management has been visiting each home, yesterday and today, talking with the residents, explaining to them what is going to happen and telling them exactly how the whole move is going to occur. Every possible assurance is being given to them that it will be done properly, all health standards will be maintained, proper monitoring will be carried out and so forth.

I have full confidence in Dr. Cameron and the federal agency that is going to carry out this project that they can do it in a very exemplary manner.

Mr. Elston: I wonder if the minister has any thoughts on the question of those people who have developed a fear of living in the Malvern area as a result of their contact with the low-level radiation and a concern about their loss of investment in the houses in which they live now. Will the minister indicate to us whether he is considering a compensation package for those people who wish to move from the area?

Hon. Mr. Wells: It is my understanding that is the subject of a court action. Some of those people are suing the provincial government and others at present, so it would be inappropriate to comment in any way on that.

FOREST MANAGEMENT

Mr. Laughren: Mr. Speaker, I have a question for the Minister of Natural Resources. Is the minister aware of a letter his deputy minister has written this week to the Toronto Star threatening legal action because of an article that was printed in the weekend Star called "The Rape of Our Forests"?

Hon. Mr. Pope: Mr. Speaker, I am not aware of any letter signed and sent by the deputy minister to the Toronto Star.

Mr. Laughren: Can the minister tell us if he would in principle approve of his deputy threatening to take legal action against the Star for printing information about, among other things, the lack of successful regeneration of our forests in Ontario?

How does he fit that with his refusal and his deputy's—primarily his deputy's, I suspect—to provide the New Democratic Party task force with information on regeneration of our forests, despite the fact that it was promised, despite the fact that information on the regeneration of public forests on public land was what we were

seeking and the minister and his deputy have refused to give it to us?

How does the minister expect to have an informed debate on forestry in Ontario when, first, he refuses to give information that should be public and, second, when the deputy wrote back to us, he told us the information they have been using was "misleading to say the least"?

What kind of news management is the minister engaging in when he first refuses to give information to the task force and then allows his deputy to accuse the media of misrepresenting the facts on forestry in Ontario?

Hon. Mr. Pope: Over the past number of years we have provided much information to that particular caucus with respect to forestry matters, both on reforestation efforts and some of the tables we have produced on an annual basis. We have provided, as we are obliged to, a detail of regeneration activities under forest management agreements.

With all of those facts, it has not stopped that particular party from making the kind of factually incorrect statements it makes throughout northern Ontario. It would not matter if they had the facts or not, they would not use them, and that is the reality of it.

Mr. T. P. Reid: Mr. Speaker, if the minister and/or the deputy find the article in the *Star* misleading, would the minister be prepared to make a statement in the House putting his side of the story and setting out for the members exactly where he disagrees with the facts and figures that were contained in that article? Everybody in northern Ontario hates the clear-cuts.

Hon. Mr. Pope: Mr. Speaker, the honourable member knows, and so does the member for Nickel Belt (Mr. Laughren), about the background of some of the information from the *Star* article. He knows, for instance, the area that was flown over by the particular reporter is on a regeneration program right now, that it had been scarified and prepared for regeneration, that seedlings were actually growing in the area flown over. It was an area of normal rotational harvest and regeneration activity that was going on in northwestern Ontario and has been for some time. The honourable members know that, and I suspect that is why they did not raise it in the House.

Sure, the article presented one point of view, and it is up to the writer to determine what point of view the writer wants to present. We happen to believe that some of the information con-

tained is some of the same statements that have been made before. Some tourist operators feel we do not take enough account of their businesses and their needs in terms of access road routes. We had this discussion over many access road routes that were specifically decided upon by this government over the past years. We have had many meetings with tourist operators and outfitters in different parts of northern Ontario to try to accommodate their needs. In most cases we have been successful. Unfortunately, the successful cases are not necessarily always reported, but I cannot help that.

All I can tell members is that the information that has been requested by the New Democratic Party with respect to survival rates has been provided. That did not stop the member from claiming we were talking about a 25 to 30 per cent survival rate, when information we provided to him shows an 85 to 90 per cent survival rate. That does not prevent him from making those kinds of statements out there.

Mr. Laughren: Mr. Speaker, on a point of privilege: The Minister of Natural Resources is factually incorrect. He refused to provide us with the information we last asked for.

MATERNITY LEAVE

Mr. Wrye: Mr. Speaker, I have a question for the Minister of Labour regarding another failure of the Employment Standards Act to protect workers in this province.

The issue concerns a worker at a certain southern Ontario hospital who became pregnant and learned she was expecting twins. I think the minister is aware of this situation. She planned to work up until two months before her due date but was unable to because of complications which threatened the lives of her unborn children. She had expected to receive sick benefits because her company sick benefit plan states that all employees are entitled to at least 75 days of sick coverage when legitimately off work. The company's policy manual stated that this plan was specifically designed to prevent loss of income at a time of unexpected illness.

Unfortunately for her, her employer cited section 35 of the Employment Standards Act as a legitimate reason for putting her on unpaid maternity leave and not paying her sick benefits. The woman was told by ministry staff that there was nothing they could do about the situation because of the wording of section 35.

Does the minister plan to introduce changes to the Employment Standards Act to ensure this

kind of discrimination against women is not allowed to happen again?

Hon. Mr. Ramsay: Mr. Speaker, I am not aware of the particular circumstance the honourable member has described, but if he will be good enough to consult with me after question period, I will get all the details from him and be happy to follow up on it.

If the section requires clarification or requires a study for a possible change, by all means we will be pleased to look at it.

Mr. Wrye: I hope the minister will look into this because there is really a problem within his ministry. I want to read to him a section from the women's bureau pamphlet of May of this year entitled Ontario Labour Legislation of Interest to Working Women. I want to quote from it briefly. It says:

"Pregnant women are entitled to all benefits covering sickness and disability that occur outside their pregnancy leave of absence. No distinction may be made between complications resulting from pregnancy and other illness for the purpose of sick leave coverage outside the period of pregnancy leave."

2:50 p.m.

The woman involved in this case was told the same thing by her local employment standards branch. Then when the branch checked with legal counsel in the branch in Toronto, it had to rescind that statement. How can the minister let two branches of his ministry be saying different things? Will he promise to act to end this kind of discrimination?

Hon. Mr. Ramsay: I will repeat what I said earlier. I certainly will give a commitment to look into the matter and discuss it with my colleague across the way to see what the circumstances may be.

Ms. Bryden: Mr. Speaker, at the same time would the minister consider reviewing the maternity sections in the Employment Standards Act? I think he should look at them with a view to bringing them into line with more advanced legislation in other jurisdictions and in some collective bargaining agreements that have been worked out in this area. I do not think our maternity standards have been changed for a number of years. Would he consider reviewing those and possibly improving them?

Hon. Mr. Ramsay: Mr. Speaker, I am pleased to advise that those are being reviewed at this very time.

INSPECTION OF NURSING HOMES

Mr. Cooke: Mr. Speaker, I have a question for the acting Minister of Health. He will be aware that the nursing home services branch appointed two special inspectors with regard to Ark Eden. One of those special inspectors was Debbie Morrow, the director of nursing at Coleman Health Care Centre in Barrie. I wonder if he also is aware that when the yearly inspection by the ministry's nursing home services branch came about it found 11 violations at the nursing home in which she was supposed to be in charge of nursing.

The violations included inappropriate feeding practices—the food was being given too quickly to the residents. Narcotic drugs were not being stored in narcotic cabinets and therapeutic diets were not being provided as ordered by the physician. There also was very limited evidence of a restorative care program there.

Is the minister aware of that? Why did the ministry appoint someone who apparently was not even following the Nursing Homes Act in the home where she was supposed to be the director of nursing?

Hon. Mr. Wells: Mr. Speaker, I was concerned when I read these reports. I am doing a little checking into this. As far as I can ascertain, this person was competent to do the inspections at Ark Eden. The violations at the Coleman nursing home occurred after Ark Eden. I believe the person involved was away on holidays at the time these violations were supposed to have occurred. I cannot tell the member anything more beyond that. I am looking into it in a little more detail to find out. But I do not believe the credibility of the person doing the inspection and nursing evaluation job at Ark Eden needs to be questioned.

Mr. Cooke: I hope the minister will give a more thorough report when he gets the answers. I would ask the minister if he agrees it is not just the credibility of this appointment that is at stake, it is the credibility of the nursing home services branch. In this case, the nursing home knew its annual inspection was coming up, yet there were at least 11 serious nursing violations of the Nursing Homes Act. What does it say about the nursing home services process in this province when nursing homes deliberately flout the law and still have their licences renewed?

Hon. Mr. Wells: I do not believe there was any deliberate flouting of the law. The whole process of nursing home inspection is to identify

violations of the accepted practices that should be followed and then seek compliance from the nursing home. If they comply at the nursing home, their licence will be continued. That process is continuing today.

Ms. Copp: Mr. Speaker, I am sure the acting minister will remember that on October 11 he promised this House he would look at the coroner's inquest report dealing with the death of Mrs. Catherine Jackson. He said, "If it highlights deficiencies in the inspection service . . . we will welcome those because we can then take action to remedy those complaints and deficiencies."

If the minister has had a chance to carry out this review in the last month, I wonder if he could explain to this House why the Concerned Friends of Ontario Citizens in Care Facilities group has reported that it has received complaints from 26 of Toronto's 37 nursing homes between August 1 and October 31 of this year, and homes such as Barton Place and Lincoln Place have been the subject of more than 10 complaints each?

If there have been that many complaints rampant in Toronto since the minister allegedly beefed up the inspection service, I wonder if he could answer to this House why there still appears to be such a great preponderance of complaints, particularly in the areas I have mentioned?

Hon. Mr. Wells: Mr. Speaker, I do not have the report on the particular case I promised the honourable member I would get. I do not have it in front of me here today. I will bring it in and give her the answer in a day or two.

In so far as ongoing matters are concerned, we have always said there is room for improvement in nursing home standards and nursing home care. The aim of this ministry is to try to improve the level of care and the quality of service provided by nursing homes. We are working towards that. It will not be accomplished overnight. I am sure my friend would agree with this. All of us who have constituency offices know that as long as there is a group out there looking for complaints in nursing homes, we will be hearing about complaints in nursing homes.

Mr. Wildman: Why is the ministry not looking for them?

Hon. Mr. Wells: We are looking for them too. We identify those problems every time the inspection is done. If the member wants the inspection report on a nursing home, it will be

made public. He can have it after the inspection is done.

Mr. Cooke: That is only the annual report.

Hon. Mr. Wells: The annual inspection report is important. We can see what the deficiencies are and if they have been corrected. That is the aim of the service in this ministry connected with nursing homes.

I would point out that it does not matter how many people we have or how long we do that; I suggest we will still have complaints from nursing homes. There will always be some kind of complaint because it is that kind of service. We will never be able to please everybody.

MOOSE HARVEST

Mr. Van Horne: Mr. Speaker, I have a question to the Minister of Natural Resources. I am sure he is aware of the great concern that exists in northern Ontario with respect to the provincial government's handling of the moose hunting system in this province. After the disastrous moose lottery that occurred this year, we are now told by the minister's staff that Ontario has no way of assessing the impact of its new moose harvest system, which is aimed at reducing the moose kill and increasing the size of the herds.

According to a biologist within his ministry: "The truth is, we do not know what is happening to our moose. Our funds have dried up. We do not have a single genuine check station in our region. We do not even have mail surveys this year. Also, we do not have the results from last year's mail surveys. Yet head office has already asked us to submit a moose quota for next year."

Would the minister tell us when this situation regarding moose hunting might be resolved? When will he bring it under better control? Can he give us some assurance that proper funds will be made available so the proper number of check stations and the necessity for aerial surveys can be met? Can he tell us what is happening to our moose herds, which I am sure he would agree are a valuable wildlife resource in this province?

Hon. Mr. Pope: Mr. Speaker, the new selective harvest system is a system that both tourist organizations and sportsmen's organizations in Ontario have been asking this government to implement for five years. We acceded to their requests, as well as to the request of the moose committee of the Ontario Federation of Anglers and Hunters, and implemented a selective harvest system.

From his reading on the issue, the honourable member will know we believe this offers a true control mechanism on the total harvest of our moose population in Ontario. We are aware of a decline in the moose herd, which was projected on the basis of information that was gathered by the field, by individuals such as that one over the period of time, and indicated that in a five-year period there was a decline from 120,000 moose to approximately 80,000, based on the aerial surveys, which have continued and always will continue in Ontario.

3 p.m.

Faced with an 80,000 predicted moose population in the province, and on the basis of the fact that 89,000 residents of Ontario alone were applying for the right to hunt moose, along with approximately 30,000 nonresidents, we knew we had to take measures to put into place a selective harvest system.

Members are aware of the reaction of hunters to any system run by the Ministry of Natural Resources. We therefore contracted out to a private company the devising of a formula for the computer random draw and the actual operation of that draw. Like me, members are aware of the problems with the inversion of the fraction that took place, which led to the date of birth being part of the formula that was used by that company to draw names on a random draw basis. The error of that company in making the draw meant we had to have a second draw.

Members are aware that we increased the number of our tags from 38,000 by an additional 12,000, bringing it up to 50,000. They are also aware that the tourist industry wanted a self-allocation system.

Mr. Speaker: Order. That was a very complete answer. Thank you very much.

Mr. Van Horne: Mr. Speaker, the minister's response was so complete that I am not sure I understood what he said. Let me pursue the topic with the observation that it would appear the hunt is declining, but apparently it is not known whether it is declining because of the voluntary system of reporting, whether there are fewer hunters reporting kills or just what the situation is. My colleague the member for Rainy River (Mr. T. P. Reid) has made observations on this on more than one occasion.

I do, however, want to pursue the theme of the way the situation exists now, and I am going to ask the minister what he has to observe on the necessity for shooting proficiency tests, which are required in some provinces and which are

not required in ours. Is he considering bringing in any kind of requirement for shooting proficiency?

We are also concerned about the amount of illegal moose hunting in this province of ours, again made quite easy, apparently, for such reasons as the lack of a mandatory system for the reporting of kills. Is he considering doing either of these two things—that is, bringing in some shooting proficiency system or mandatory reporting—so that we will have a better handle on this problem of kill?

Hon. Mr. Pope: If that is the Liberal Party position on how hunters will have to deal with their government, then I know the hunters will continue to support our government in the future.

Mr. Bradley: Answer the question.

Hon. Mr. Pope: I am getting there. I have six minutes.

The honourable member already knows we have compulsory reporting by the tourist industry for the first time this year through the self-allocation process. He knows we have a compulsory reporting system. He knows we are continuing the voluntary reporting system and going into the compulsory reporting system next year. He knows we are continuing with the aerial surveying. He knows we are continuing with the road checks. In short, he knows the moose hunts in this province are being properly administered.

EMPLOYEE HEALTH AND SAFETY

Mr. Wildman: Mr. Speaker, I have a question for the Minister of Labour related to the October 25 death of an 18-year-old Kingsville man, Carmen Carl Smith, who was crushed to death by a 1,400-pound bail of compressed paper at Essex County Recycling on Walker Road in Windsor.

Can the minister confirm that this plant was never inspected by his ministry although it has been in operation for more than a year and that the ministry did not even know of its existence? If that is incorrect, will the minister inform the House of the dates of the inspections and table the inspection reports? Can he explain why his inspectors allowed bales of paper to be piled five high at this plant, thus endangering the safety of the workers there?

Further, will the minister table the ministry's investigation report of the fatal accident?

Hon. Mr. Ramsay: Mr. Speaker, the information I have is similar to that just related by the

honourable member; that is, the ministry staff was not aware of the existence of this company. Regrettably, that is correct. As far as tabling the inspection report is concerned, we will be pleased to do so.

Mr. Cooke: Mr. Speaker, it is absolutely incredible that the Ministry of Labour would not have known about this plant.

Mr. Speaker: Question, please.

Mr. Martel: If you were following the act, you would have to know.

Mr. Speaker: Order.

Mr. Cooke: Will the minister now consider one of the proposals that came out of the New Democratic Party task force, that there should always be a mandatory coroner's inquest in an industrial death? Will he ask the Solicitor General (Mr. G. W. Taylor) to try to change the mind of the coroner in Essex county and see that an inquest into this death is held?

Hon. Mr. Ramsay: Yes, Mr. Speaker, I am prepared to do that. I will speak to the Solicitor General in that respect.

Ms. Copp: Mr. Speaker, am I to understand that the minister is prepared to call a coroner's inquest in the case of every industrial accident? Will the minister commit this House to that, and if not, why not?

Hon. Mr. Ramsay: Mr. Speaker, that question should be more properly directed to the Solicitor General. It is not the responsibility of the Minister of Labour.

HYDRO CORRIDOR

Mr. Nixon: Mr. Speaker, I have a question for the Minister of Energy. He will be aware that an organization called the Central Ontario Coalition, which operates with the blessing of the Chairman of Management Board (Mr. McCague), has applied to the Divisional Court for a hearing. It is hoped that hearing will result in the quashing of the ruling of the consolidated hearings board on the electrical transmission lines in southwestern Ontario.

It is hoped the arguments will prevail that inadequate notice and certain other shortcomings have denied natural justice to the many citizens of the area who feel the decision of the joint board is an incorrect one.

Has the minister decided what stance he and his colleagues in the ministry, in particular the Attorney General (Mr. McMurtry), may make before the Divisional Court? Is he considering

supporting the application by the Central Ontario Coalition?

Hon. Mr. Andrewes: Mr. Speaker, it would not be appropriate for me to comment if the matter is before the courts at this time.

Mr. Nixon: The minister will be aware that a matter before the courts which involves the government usually stimulates the appropriate ministry to appear before the judges to offer the government's argument in this connection.

I would hope the minister might get additional advice from the Attorney General or from someone in his own ministry, or perhaps even from Ontario Hydro, particularly in view of the fact that Ontario Hydro itself did not consider them to be well served by the judgement.

Members of cabinet, if they have their wits about them, will respond to a letter written to Hydro and signed by the Chairman of Management Board, copies of which are public and which he has provided, which states briefly as follows:

"I am convinced that local residents should be given a full opportunity to persuade the joint board that plan M3 has significant disadvantages in comparison to the other plans previously rejected by the board.

"Based on these concerns, and in order to ensure the integrity of the planning and approval process, I suggest that it would be in Ontario Hydro's best interests to initiate a rehearing on the choice of plan."

I personally support the minister wholeheartedly in his view.

Since the Chairman of Management Board has conveyed this view to Ontario Hydro, will the Minister of Energy consider advising his colleagues in the cabinet that the government of Ontario should appear before the court and support a move for a new hearing?

3:10 p.m.

Hon. Mr. Andrewes: I am prepared to seek the advice of the Attorney General on that matter, but I think it is important to clarify that Hydro has been very forthright in trying to seek that clarification from the consolidated hearings board and has made that direct attempt on one or two occasions.

The board, in arriving at its decision and in writing its decision, has said those matters can be addressed at the route stage hearings. It has advised the complainant groups accordingly.

ANSWERS TO QUESTIONS
TAKEN AS NOTICE

PETITIONS

INFLATION RESTRAINT LEGISLATION

Mr. Gillies: Mr. Speaker, I am pleased to present two petitions. I might add that I am glad to see most of the concerns contained in them have been addressed by the Treasurer (Mr. Grossman).

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

The petitions are signed by eight teachers from Brier Park school in Brantford and seven teachers from Grand Woodlands school in Brantford.

Mr. Eakins: Mr. Speaker, I have one similar petition addressed to the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario.

Mr. Wildman: Mr. Speaker, I have a petition. "To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act, because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

This petition is signed by 11 teachers at Hornepayne Public School.

Mr. Shymko: Mr. Speaker, notwithstanding the fact that in a major way collective bargaining rights have been restored in the Treasurer's

statement, I would like to read the following petition:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

Mr. Philip: Mr. Speaker, in addition to the hundreds of signatures which I tabled earlier in a similar petition, I now table with the House another 16 signatures from Wedgewood Jr. school in Etobicoke and from Pauline Avenue Junior Public School.

INTRODUCTION OF BILLS

RESIDENTIAL COMPLEX SALES REPRESENTATION ACT

Hon. Mr. Elgie moved, seconded by Hon. Mr. Wells, first reading of Bill 113, An Act to regulate Conveyances of Dwelling Units in Residential Complexes.

Motion agreed to.

Hon. Mr. Elgie: Mr. Speaker, in recent years some rental apartment building owners have introduced complicated conveyancing schemes that were apparently intended to skirt condominium conversion controls. The Residential Complex Sales Representation Act I am introducing today should protect people from misrepresentation relating to these apartment ownership schemes. This legislation should help people to realize they are investing in a residential building and not necessarily buying a future home to which they will have immediate and well-defined rights with respect to personal occupancy.

These new conveyancing schemes fall into two general categories. In the first, building ownership is transferred to a corporation. Shares in the corporation are sold to individuals who, by shareholders' agreement, grant each other the right to occupy specific units in the building. In the second, the building is sold to a group of

individuals who acquire ownership as tenants-in-common. These co-owners then enter into an agreement granting each other the right to occupy specific units in the building.

The end result is basically the same. People buy an interest in a residential complex, thinking they can automatically occupy a specific unit. This is where the problems begin. First, existing tenants are threatened with eviction by the new building owners who want to exercise what they believe to be their right to occupancy.

Up until last March, the Landlord and Tenant Act, which is administered by the Attorney General (Mr. McMurtry), had been widely interpreted as prohibiting a purchaser in this type of arrangement from taking possession of the unit by evicting the existing tenant. However, a ruling by the Divisional Court reversed that interpretation. To remedy the problem, Bill 32 was introduced by the Attorney General and became law last May. It amended the Landlord and Tenant Act to restore the tenants' right to retain possession in such circumstances.

The Residential Complex Sales Representation Act deals with problems encountered by such purchasers. The legislation will prohibit the sale or advertising for sale of an interest in a residential complex to a purchaser who is led to believe the interest carries with it a right to occupy a dwelling unit. The bill applies, as did the Landlord and Tenant Act revision, to all residential buildings with more than six units.

I want to make it absolutely clear that we are not attempting to restrict in any way the common law right to convey property by means of tenancy-in-common, nor are we attempting to restrict the right to corporate ownership of apartments. This bill simply stops representations now being made by some vendors, representations that could grossly mislead potential investors.

Many people who buy interests in these new ownership schemes do not understand the difference between their purchase and the purchase of a condominium unit. This act will help to remove the confusion by forcing vendors to tell potential buyers they are not buying an apartment but only an interest in a building.

Mr. Cassidy: You are legitimizing a loophole; that is all.

Hon. Mr. Elgie: Can the member ever be quiet, or must he always yap? Goodness gracious, he is incredible. I am getting like the member for Sudbury East (Mr. Martel). I am just going to over-react to things like that.

Mr. Speaker: Now on with your statement, please.

Mr. Martel: When the Speaker justifies what your chairman did last night—

Hon. Mr. Elgie: I know. You were justified last night; I am not justified today.

Mr. Martel: Mr. Speaker, when the Speaker legitimizes—

Mr. Speaker: Order. I did not legitimize what anybody did. In fact, if you were to take the time to read Hansard, you would know you had been warned previously.

Hon. Mr. Elgie: In doing so, however, the act will permit the vendor to provide the purchaser with a clear and accurate written statement of law on the right to occupancy. To the extent that a legal statement to that effect does not misrepresent the facts, it is not prohibited by this bill.

It is important to note that exemptions are written into this act, including the sale of units covered by the Condominium Act and securities issued by corporations under the Co-operative Corporations Act. Also exempted are sales of interests by vendors who now occupy units.

Under this bill, buyers who are led to believe they can occupy specific units can cancel an agreement or offer to purchase up until the closing of the deal. Even after closing, they can claim damages through the courts for expenses arising from the misrepresentation, such as living expenses.

3:20 p.m.

In closing, I would emphasize again that this is protective and not restrictive legislation. It will make apartment vendors very careful of what they say to potential buyers. I hope members ensure speedy passage of this bill to prevent people from investing in proposals they may not fully understand.

EMPLOYMENT STANDARDS AMENDMENT ACT

Mr. Wrye moved, seconded by Mr. Ruston, first reading of Bill 114, An Act to amend the Employment Standards Act.

Motion agreed to.

Mr. Wrye: Mr. Speaker, this bill is intended to prevent employers from requiring employees who suffer from complications of pregnancy to take early maternity leave rather than sick leave. Clause 8(c) of regulation 282 of the revised regulations of Ontario 1980 provides

that disability benefit plans may exclude employees who are on maternity leave from benefits.

NONUNIONIZED WORKERS PROTECTION ACT

Mr. Haggerty moved, seconded by Mr. Sweeney, first reading of Bill 115, An Act respecting the Rights of Nonunionized Workers.

Motion agreed to.

Mr. Haggerty: Mr. Speaker, the purpose of this bill is to provide a low-cost mechanism whereby a nonunionized worker may obtain a review by the Ontario Labour Relations Board where the worker is discharged or otherwise disciplined for cause and the contract of employment is silent on matters of discipline. At present, a nonunionized worker who is dismissed or otherwise disciplined for cause may have no right of action against his employer notwithstanding the fact that the discipline is unduly harsh, having regard to all of the circumstances.

The bill provides a two-stage process for reviewing complaints involving harsh discipline. Initially a labour relations officer would be appointed to effect a settlement which would be reduced to writing and which would have to be complied with according to its terms. Then if no settlement is reached or where settlement is not likely the Ontario Labour Relations Board would inquire into the matter. The board, if satisfied that the complaint is justified, will have the power to make an order substituting such penalty as is just and reasonable in the circumstances.

The timely introduction of this bill, which presupposes amendments to the Ontario Labour Relations Act, is to provide compatibility to the spirit of the Canadian Charter of Rights and Freedoms.

REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH AMENDMENT ACT

Mr. Cunningham moved, seconded by Ms. Copps, first reading of Bill 116, An Act to amend the Regional Municipality of Hamilton-Wentworth Act.

Motion agreed to.

Mr. Cunningham: Mr. Speaker, you may recall that the regional council in Hamilton-Wentworth voted unanimously that qualified electors in the region be entitled to vote at large for the election of a regional chairman, and indeed there are a number of petitions that

would support this as well. The purpose of this bill is to permit qualified electors in the regional municipality of Hamilton-Wentworth to elect at large their own chairman of the region.

ORDERS OF THE DAY

THIRD READINGS

The following bills were given third reading on motion:

Bill 51, An Act to amend the Ontario Water Resources Act;

Bill 52, An Act to amend the Environmental Protection Act.

PRIVATE MEMBERS' PUBLIC BUSINESS SENIOR CITIZENS

Mr. Gordon moved, seconded by Mr. Shymko, resolution 26:

That, the demographic trend being towards an ageing society, and the future economic and social wellbeing of our province depending on a vigorous, productive and healthy elderly population, this House supports an all-party committee to seek ways of developing, in co-operation with the seniors secretariat and other agencies, a long-term strategy aimed at minimizing the dependency and maximizing the productivity of our future senior citizens.

Mr. Speaker: I would like to remind the member that he has up to 20 minutes and may reserve any portion of that time for a windup.

Mr. Gordon: Mr. Speaker, I would like to reserve about two minutes at the end of the speech.

As most members are aware, our society is undergoing a demographic shift towards an ageing population. The changes accompanying this shift will be felt into the middle of the next century, disrupting, reshaping and rebuilding our social and economic institutions in the process.

Unfortunately, we have not yet comprehended the full implications of these transformations. In the words of the leading management expert, Peter Drucker:

"None of the headline makers with which we are so constantly bombarded, neither OPEC nor all the promised shortages of food, metal or minerals that are now so widely predicted, nor any other crisis at the moment, are nearly as important, let alone as real, as the changes taking place in population structure and population dynamics. Yet few businesses and fewer governments have even perceived them."

More than 50 per cent of our present popula-

tion was born between 1946 and 1966. This "big generation" has already brought great changes to our society. Think of the effect the baby boom has already had on our society. In the 20 years following the Second World War, the school system was turned upside down as the number of children enrolling in public schools rose rapidly. Our schools have just begun to recover from this onslaught.

Then, from 1960 to 1980, the baby-boomers converged on the job market. The result has been too many people looking for too few jobs. This "big generation" will continue to have a significant social impact in the decades ahead. Twenty years hence there will be a great many elderly persons with fewer young people following behind.

By the first quarter of the 21st century the growth in the number of the elderly worldwide is expected to be so great that there may be twice as many grandparents as babies. Let me put it this way, in 2025 it is likely that one billion persons will be over 60 years of age; one in three voters in the industrialized countries will be senior citizens.

Such predictions raise the practical question of whether our society will be able to bear the economic and social consequences of an increasingly large and socially dependent segment of the population. They also raise the philosophical question concerning the values assigned to work and productivity and how these values will affect and be affected by large numbers of elderly in our future society.

Generally we take as given our current patterns of living and thinking. We accept, for example, the concept of productivity as one important measure of an individual's worth in the community. Those who are not productive we view with a diminished status. We accept the notion that the young are productive and the elderly have exhausted their productive capacities.

3:30 p.m.

In other epochs, attitudes were the reverse from those of today. The elderly were venerated and held in high social esteem. For example, Aristotle, the most careful observer of the classical world, preferred age and wisdom to youth and physical stamina. He wrote that the body reaches its prime at 35 years of age but the soul reaches its perfection only at the age of 50. I am sure there are many in this House who have reached that state of perfection.

Nevertheless, at present we tend to take for granted the social dependence of the elderly and we should ask ourselves just how this

situation, this perception, came about; this change in perception from the time of Aristotle.

All we have to do is read Eric Fromm, who said that old age is a problem created by modern, industrial society. In his view the aged are a problem because they are seen as idle consumers of resources in a society that values productive work. In this sort of system, those who are nonproductive are perceived as social liabilities.

Unfortunately, these attitudes still persist to some extent. Many of our current practices are based on out-of-date policies and anachronistic social attitudes. Nevertheless, I am optimistic enough to believe that attitudes are changing. I believe the message of demographics in the 1980s is that the infatuation with youth is over.

As we approach the 21st century, it is becoming clear that we are entering into a new era of age relations, an era in which the elderly will once again become an important and productive social force in our society.

We stand at one of the great divides of our history. However, I must stress that the shape of the upcoming decade depends on how well the members of the "big generation" understand what we are approaching and what is going to happen to us. Studies investigating the economic and social importance of population ageing have been undertaken only relatively recently.

As late as 1934, the first edition of the *Encyclopaedia of the Social Sciences* included no articles on ageing. Since then, there has been a growing awareness of the need for research and for policies relating to ageing and the elderly. Past decades have witnessed the implementation of a diversity of government programs focusing on issues of concern to the elderly. There have also been many research studies and service organization reports undertaken which have recommended the establishment of needed programs and pointed out new directions for action.

In Ontario, one recent study was a project initiated by the committee on ageing of the Ontario Social Development Council. The project was primarily carried out by senior citizens themselves and consisted of six day-long workshops held across the province. The project involved almost 600 seniors. What is really interesting is that the aim of the project was to provide the elderly with the chance to identify issues of concern and to explore ways of providing possible solutions.

The most significant theme emerging from

this project was that elderly persons are anxious to be seen as more than a target group for government services and programs. Nor are they willing to accept the implication that their usefulness and ability to contribute to society are reduced by the fact of their increasing years. To my mind, the above statements encapsulate perfectly the problems of our present-day attitude and treatment of the elderly.

Modern life has improved the older person's living standards and health and increased his lifespan; simultaneously, however, it has taken away from the elderly their productive roles and functions. Programs and policies for our elderly population have been undertaken only in a narrow context in response to specific social or institutional concerns.

Consider, for example, the ongoing federal deliberations on pension reform in Canada. The purpose of this investigation is to find new and better ways to support the elderly. Such an undertaking should surely involve the areas of health, housing, communications, technology and transportation, to name the most obvious. Should not such an examination also include an analysis of the potentially productive role the elderly could play in our society?

I believe that what has eluded us, as policy makers, is, first, an overall perspective of the place for the aged in our society and, second, a clear understanding of what that place will be in the future.

It is essential for the wellbeing of our province and our country that future policies concerning the aged be multidimensional and, as much as possible, intergenerational. It is only through a co-ordinated and all-inclusive approach that future social and economic plans can be developed in which the elderly can play a part in contributing to our society's social and economic resources. As policy makers, all of us must join together in examining these issues and planning for the future.

It is for this reason I have introduced my resolution in the House today. I believe all of us in this Legislature must work together in considering the broad implications of the demographic changes occurring in our society. We must sit down together and with the help of seniors, experts and existing bodies such as the seniors secretariat discuss the means through which the elderly can play the most productive and most meaningful role in our future society. We must reassess our present perceptions of ageing and lay the groundwork for new directions in the future. It is in the hope of generating

a frank, constructive and noncombative discussion that I introduce my resolution this afternoon.

The one thing I would like to stress to my colleagues is that we must begin planning today for a fast approaching tomorrow. Look at it this way: all the pensioners, senior business leaders or mature workers Canada will have at the turn of the century are already born. Couple this with the fact that our population will age as much over the next 20 years as it did in the past 80 years and the urgency of addressing the issue becomes clear. As the expression goes, "The future is now."

When we are planning ahead we are actually dealing with the present because we are looking at changes in an already existing population. Changes in policy and program planning take time. Examining the programs and the lead times today will allow us to set priorities which give us planning direction and implementation time in the future. Planning must commence for the ageing explosion of the 1990s and the next century.

I want to emphasize that I hope with this resolution we will help to create bridges, that it will assist to make connections which will work towards strengthening the common concerns of all members of this Legislature and those organizations and individuals involved with the present and future concerns of the elderly.

I recall quite well that at the fall policy conference in the social policy session I listened to a very dynamic lady who was most outspoken in her concern for the elderly. The participant in question was Pearl Langer. She spoke eloquently about seniors' concerns encompassing the area of pensions, housing, women's issues, health care, recreational activities, the needs of friendship and self-respect; in short, the quality of life.

I think anybody who listened to her recognized that the next 20 or 25 years are crucial when we talk of this group. We must remember that our senior citizens are increasingly more educated, more affluent, healthier and more politically powerful than in the past. Simultaneously, better medical care and higher living standards have led to a new group of very old persons with their own special needs.

Susan Sontag has written that getting older is a crisis that never exhausts itself because the anxiety is never used up. Ageing, being a crisis of the imagination, has a habit of repeating itself again and again. It is true that most of us do not look forward to ageing, but we must address this issue. It is sad our modern lifestyles and percep-

tions have not eased our anxiety about ageing. Modern youth-oriented views have probably increased our anxieties. Old age is a crisis of the imagination, as Ms. Sontag says, but it is also a crisis of public attitudes, a crisis of social policy and social organization. It is a crisis we must address together as fellow citizens.

In concluding, I recall that famous scene in *Alice in Wonderland* when Alice comes to that junction in the road that leads in different directions. A Cheshire cat is sitting there and Alice asks him where she ought to go. The cat says, "That depends a good deal on where you want to get to." "I don't care much where," says Alice. The cat replies, "Then it doesn't matter which way you go."

We have this advantage over Alice. We do care and we do know where we want to get to. Therefore, it does matter which way we go. This resolution is a call for all of us in this House to take another step in the right direction.

3:40 p.m.

Mr. Boudria: Mr. Speaker, I want to thank my two colleagues here for their enthusiastic applause.

I want to speak to this resolution. Ballot items introduced by members of the government are generally motherhood resolutions that everyone votes for. They are not usually very specific, and certainly this one is no more specific than the rest. I hoped the member for Sudbury (Mr. Gordon) would introduce a very positive private member's bill in this House; for instance, a bill abolishing the mandatory retirement age, or bills to increase the services offered to our aged population; very positive and progressive legislation of that kind.

I see we have with us this afternoon the former Provincial Secretary for Social Development, the member for Scarborough East (Mrs. Birch), who is listening attentively to the debate. She and I have participated in the estimate process of her former ministry on many occasions and discussed many of the items referred to in the resolution of the member for Sudbury.

It is interesting to note that the government of this province, the party of the honourable member proposing this resolution, has a very poor track record, in my view, of providing services for our elderly and providing constructive opportunities for them to have more fulfilling lifestyles. Our country probably has one of the highest number of institutionalized people as a percentage of our population. Some may say this is because we are providing a lot for our people. Others may argue, and certainly I

would, that it merely means when people reach a certain age we put them away somewhere.

That is the view I have of many of our institutions, especially the nursing homes in this province. Granted we need nursing homes and that, by and large, the people who run them do a relatively good job, I do not think as a society we should have a policy that the proper thing to do with older people is to park them away somewhere. Many times I feel this is the policy of the government of this province.

If we were to think of positive initiatives that would be necessary to fulfil some of the things this resolution suggests, first of all, in my own view, we should abolish the mandatory retirement age of 65. If we are going to make people feel useful in our society, we should remove whatever legislation we have that makes them feel useless. That would be an absolute first step to indicate to our elderly citizens that they have just as important a part to play in our society as others.

I fail to see why, after somebody has been living for a certain number of years, 65 in this province, we identify that person as having become useless and no longer able to hold proper and productive employment. At the same time as we have our retirement laws in this province, we find ourselves in the situation where many of our skilled trades people in Ontario are rapidly approaching that age and we have nobody to replace them. That brings up another topic, namely, why we have not properly trained our young people in many areas of productive employment and skilled trades. We could spend a lot of time on that, but that is not what we are discussing here this afternoon.

We are discussing the very productive people who will be forced over the next few years to cease employment when they could be providing very useful service to the people of this province. As I said previously, I think mandatory retirement should be abolished.

My colleague the member for Grey-Bruce (Mr. Sargent) has introduced a very good piece of legislation in this House on a number of occasions in regard to providing a very useful service to the people who are financially disadvantaged in this province, and most of the time those are senior citizens. I am referring to the member's legislation on the lifeline rate structure of Ontario Hydro to assist the people who are at the lower end of the socioeconomic scale by providing them with a basic Hydro rate structure where the first kilowatt hours would

be provided at a lesser rate in order to assist the people who need it most.

That is an example of a very positive piece of legislation which could be useful for our senior citizens. While there is nothing wrong with the resolution we see today, it is not very meaningful, in the sense that everybody just votes for it and it dies there because there is no concrete action in this kind of resolution.

We must also find new opportunities to employ our senior citizens. One only has to go and spend a few hours in some of our senior citizens' homes to find out just how bored the residents of those homes are with very little to do. Certainly we must find new opportunities for them.

I am thinking of having some kind of structure where our senior citizens could, if they wished, be gainfully employed in day care, for instance, for our younger and future citizens. A day care crisis looms in this province and we have difficulty finding proper day care for our children. On the other hand, we have a whole segment of our society that is not doing anything, which probably would be very interested in assisting the younger generation and, at the same time, would find something very useful and productive to do.

I see very little effort being demonstrated in that particular area. I know that not all senior citizens want to be baby-sitters and I am not pretending they do, but there are a number of them who would find very interesting and productive hours of work in assisting in the day care process.

Another issue we should be addressing specifically to assist our senior citizens is housing for senior citizens and for the other group that is right near them, whom I will refer to as the near-old for the purpose of this discussion. The group between 50 and 65 are in a terrible housing crisis in this province, especially those who are single.

I have discussed this with the member for Scarborough East on occasion. I have a very difficult situation in my own constituency when a woman, say, 57 or 58 years old comes to my constituency office and says: "What can I do? I am trying to make ends meet on welfare and it is an absolutely impossible situation." What do you do with a 57- or 58-year-old person who has not worked outside of her home for the last 30 or 40 years, if ever, who has lost her husband last year and who is a unilingual francophone in a community that has 25 per cent unemployment? What am I supposed to tell that constituent?

The difficulty with people of that particular age is that even if economic conditions are good, their opportunities are severely restrained because of the conditions I described earlier. When there is a situation such as we have in Prescott-Russell and in many other parts of this province, though in Prescott-Russell it is particularly severe, where unemployment is that high, such as in the town of Hawkesbury or in communities around that area, what does a person on welfare do to get out of the social assistance treadmill?

In many cases they are not well enough to be working. If they are not well enough to be working, they should be on family benefits allowance. If they cannot get on FBA, it is an absolutely impossible situation of appeal after appeal in front of the Social Assistance Review Board trying to get them on something they should be on. Even in cases where they do manage to get on such programs, we know that they are so severely deficient it is impossible for a person on his or her own to make ends meet even if one is a recipient of family benefits allowance.

3:50 p.m.

In most cases in my constituency it is women who are in that predicament. There are various reasons for that. We men do not like to hear this, but the life expectancy of men is somewhat shorter than that of women. It is not that we want the women to live a shorter life, but we would like to live a little bit longer. The situation in our province is that many of our senior citizens are women living alone who are in a great deal of difficulty.

I notice my time has expired, so I will end my remarks here, although I would have liked to say quite a bit more.

Mr. Philip: Mr. Speaker, it is a pleasure to rise in support of this resolution. It is very difficult to speak in 10 minutes on a topic I have spent hours writing about in various newspapers and journals and on which I have taught courses.

At the risk of oversimplifying the issue, I would say we are dealing with two types of needs: physical and psychological needs or anthropological and social needs. However, we already know there are many services needed at this time and we do not need any committee set up to deal with them. While the idea of a committee would be useful, not only to educate the public but also to educate members of this House, unfortunately, the government has failed

abysmally in dealing with the very issues it already knows the solutions to.

My colleague the member for Downsview (Mr. Di Santo) introduced resolution 17, which members will want to look at. It deals specifically with things that can be done here and now to make the life of seniors more creative and more self-actualized. It would remove many of the frustrations, both physical and psychological, that now exist in their lives. I would refer members to resolution 17 as one area where the government could get off its butt and move immediately without any committee sitting and dealing extensively with the problem.

The Ministry of Health study on evaluation of chronic care in 1977, which was based on the pilot home care programs in Hamilton, Kingston and Thunder Bay, stated clearly that chronic home care is a cheaper service than any type of hospitalization. While it found no conclusive measure, it had a hunch the program is preventing further deterioration and thus diminishing the need for transfer to higher level care institutions. It pointed out there was a need for comprehensive assessment in identifying the types of patients who benefit most from chronic home care.

In Etobicoke we have had the Rexdale Home Support Services for a couple of years now. It is interesting that the federal government and the municipal governments found funds for it. It is only more recently the provincial government came screaming and biting when they realized that federal funds were closing up. It was only when they realized a whole bunch of people would end up in nursing homes unless they moved that they finally came up with some money to support this very worthwhile service.

The Ontario Advisory Council on Senior Citizens in its 1982-83 report made a number of recommendations to an all-party committee, which this motion calls for. Such a committee might use that as a basis for looking at the challenge. I would like to comment on only a couple of these in the short time I have.

One of the matters it deals with in recommendation 3 is that the province should promote the benefits of and improve the access to pre-retirement education in Ontario. When Greg Merrill, the executive director of the American Association for Retired Persons, and myself, in the early 1970s, started to look at this problem, we were astonished at the poor quality of pre-retirement education in this province, across this country and across the United States as well.

We found there were, by and large, lecture courses at which people who were one month or two months from retirement were talked at, in which they were not told how to cope with living together as husband and wife when they suddenly find themselves together 24 hours a day, but such things as how to find a cheap trip to the Middle East.

Anybody can live with someone on a trip to the Middle East. There is exciting stimulation and so forth. The problem we found was living with one's spouse when that spouse was going to the fridge 10 times a day and was under one's feet, and one had never had to come to grips with that person in a real 24-hour-a-day situation.

We found the real problem that seniors wanted to talk about was the attitudes about themselves, the attitudes of society towards seniors. We developed the first process-centred pre-retirement program in co-operation with the Young Men's Christian Association and the Young Women's Christian Association in Metro Toronto. From that came a model that has been repeated over and over again in the United States and has been improved on. Groups such as the Ontario Association for Continuing Education, the American Association of Retired Persons, the National Retired Teachers Association and so forth have furthered that and done experimental work with it.

Many of the problems faced by the elderly are not just economic. Equally important is the attitudinal challenge. In recent years work done in the fields of androgyny, gerontology, psychology and social anthropology have shown us that there are models and techniques available not only to help people come to grips with their attitudes about themselves and the fact that as seniors they can be creative, dynamic and a part of society, but also to help society come to grips with the prejudices and stereotypes they have about the elderly.

So little has been done in this province. We spend \$40 million on advertising "Preserve it, conserve it," yet we have not once dealt with the problem of the attitudes, the discrimination against the elderly, in any of that advertising.

Work done by Osborne in 1955 showed that seniors were not inflexible, but that through proper training techniques that have been developed they could be as flexible and as creative as younger people. My colleagues and good friends, Syd Parnes, Ange Bionde and others like them in the US, with whom I have had the pleasure, honour and experience of working over the years, have shown that these models and tech-

niques are available if we would only put the bucks behind them and start using them.

An interesting article by Duncan Robertson and his colleagues in the Canadian Medical Association Journal points out the following in the issue of May 1, 1982, volume 126: "A thorough assessment at, or preferably before, the point at which their health breaks down enables older people to return to and remain in the community and helps to prevent them from being admitted to an institution while they are still available to function at reasonable independence."

It also goes on to point out: "As the number of old, and in particular very old, people increases in Canada, both in total and as a proportion of the entire population, their impact on the health care system is becoming apparent . . . It has been estimated that if the elderly continue to require hospital services to the same degree that they did in 1975, in the second decade of the 21st century all of our present hospital resources will be required just to care for older people."

What I am saying is that we have developed, or are in the process of developing, the technology by which we can prevent that from happening. Interestingly enough, and I see that my time is running out, I would say that one of the things that must be done that is not contained in this resolution, but must be looked at in committee, is the whole need for the development of more culture-free assessment tools of the elderly. I refer members to a recent book by Rosalie A. Kane and Robert L. Kane called *Assessing the Elderly: A Practical Guide to Measurement*. In the final thoughts in the book they say this:

"We have come full circle now, back to our beginning. Geriatrics and gerontology are evolving as applied disciplines. Their development as branches of clinical care will depend in substantial part on an ability to demonstrate an effective grasp of the problems of the elderly and their solutions.

4 p.m.

"It has been said that the cornerstone of a new specialty is the availability of a technology. Measurement may serve that purpose for geriatrics. Even a casual glance at the demographic forecasts suggests that any effort to improve the science of geriatrics will benefit both students and practitioners."

Therefore, there is the whole field of measurement as well which must be looked at by that committee. I would welcome an opportu-

nity to serve on that committee. I think some of the interesting work I have done over the years in this field might be of help to that committee. I would certainly vote in favour of such a committee being set up as soon as possible.

Mr. Robinson: Mr. Speaker, do I have the benefit of 10 minutes?

The Deputy Speaker: Roughly 10 minutes.

Mr. Robinson: It is with a great deal of pleasure that I rise in the House today to engage in this important and informative discussion on the trends towards our ageing society.

Let me begin by offering my congratulations to my colleague the member for Sudbury (Mr. Gordon) for bringing this resolution before us today so that we have an opportunity to look at it in a frank and open way.

I was interested in the comments from my friends the members for Prescott-Russell (Mr. Boudria) and Etobicoke (Mr. Philip), who stressed that the whole issue of ageing is one this government continues to address, as do governments all over the democratic world as we know it. I am certain all members of this House join in sharing the opinion that the senior citizens of this province deserve the very best services we can offer and provide for them.

My colleague the member for Sudbury stressed in his remarks that the time for action is now. Let me say that I believe the honourable member is absolutely correct in that assessment, an assessment that is echoed on both sides of the House.

I am sorry my colleague the member for Kent-Elgin (Mr. McGuigan) is not here this afternoon, because he is the master of the agricultural homily. However, I offer one I am sure I have heard him say before in pointing out that it is easier to stop a horse that is trotting across a field than it is to stop a horse that is galloping at full tilt. Similarly, in terms of the problems of the aged—

Mr. T. P. Reid: Which end of the horse is speaking now?

Mr. Robinson: If my friend the member for Rainy River is going to be provocative, I am going to ignore it and carry on none the less.

The point I was going to make was that, as we recognize the difficulties and problems of our ageing population, it is much easier, like the galloping horse, to stop it now than when the system and the situation are of crisis proportions.

Perhaps I should more clearly illustrate with

some statistics the gravity of the problem that surrounds us. In 1976, well over one third of all Canadians over 65 years of age lived in Ontario. The total of hospital patient-days for those 65 and over was 23.2 million. This figure will nearly double to 45.9 million by the turn of the century and will hit a staggering 70 million by the year 2026, according to a recent study by the Ontario Economic Council.

In terms of percentages, the problem becomes even more evident. A recent Statistics Canada report forecasts that if current hospital capacity and utilization rates remain unchanged, Canadians over 65 will require 71 per cent of all hospital beds by the turn of the century and every hospital bed in the country by the year 2021. This says, in effect, that there will simply be no other hospital bed space available for anyone under 65 years of age if we remain at the current level of development.

Clearly, alternatives to hospitalization must be developed to prevent the inappropriate hospitalization of the elderly. My friend the member for Prescott-Russell said that, in his opinion, when people reach 65 the trend seems to be to institutionalize them and forget them. We say that is equally inappropriate.

I am certain there are individuals who would remedy the situation simply by building more institutions. We do not agree with this and neither, it seems, does the rest of the House. For example, according to the figures currently available to us, if there were to be a demand for twice the number of beds by the end of the century as opposed to those available at present, then perhaps one should simply double the number of facilities to handle the increased load.

There can be no question that, before the need becomes greater, services must be expanded to meet demand. With this in mind, I am happy to note the increased number of nursing home beds and chronic care beds as well as the addition of 13 home care programs implemented by the Ministry of Health in its 1982-83 program.

However, those who look upon that aspect of the health program as a solution will find that they are badly mistaken. While expanding facilities might be a simple and straightforward method of addressing the problem, I contend that it is woefully impractical in view of the overall situation. It is impractical because it fails to address three major obstacles, all of which have a profound effect on decisions to be made in this area.

This scenario fails first because it fails to take

into account possible technological innovations in the medical profession. With all the advances in technology, can we really predict today what diseases, illnesses and infirmities are going to affect people in the 21st century?

I might remind all honourable members that years ago certain statisticians felt that unless we tripled the number of hospital beds by the year 2000, we would not be able to care for and accommodate all the patients we have today, in 1983. However, they had not taken into account the fact that those thousands of institutional beds would have stood empty after drugs were discovered that can cure and control tuberculosis and, more particularly, vaccines that were available for polio. By providing a therapeutic solution, there simply was no longer the ongoing and constant demand for hospital beds for those two particularly debilitating diseases.

Injuries such as a fractured hip, an injury particularly prevalent among our senior citizens, would often require two to three weeks of active hospital bed treatment. Now they are dispatched through that type of active treatment in a matter of a few days. We must never underestimate man's innovative ability. We must endeavour to make certain that buildings for our senior citizens of the future are easily adaptable to their changing needs.

The second failure is the basic one of cost. The Ontario government allocated some \$2.7 billion in 1982-83 to provide medical care, community care, subsidized accommodation and care in the home. These costs are rising—as we all know, and we debate it in here with great regularity—at steadily increasing rates. A professor from the University of Toronto, on the other hand, would have us believe that we would need 72 more 300-bed hospitals by the year 2026. In all programs there is a breaking point. To follow that type of logic, the breaking point for our ability to provide health care would be upon us very quickly.

Third, we have to bear in mind again something that was prevalent in the comments of both the member for Sudbury and my colleagues opposite; that is, we have to take into account not only the physical wellbeing but also the happiness of our senior citizens. We simply cannot institutionalize them, put them away and let it be left at that. We have procedures and regulations that infringe upon the quality of those lives, and we must not allow that to happen either.

We need to offer people options, a continuum of care that allows a range of services that meet

the different needs of the individual. I believe we should be giving more encouragement and financial support to those who are trying to stay in their own community. This is a project that was advanced by the then Minister of Health, now the Minister of Treasury and Economics (Mr. Grossman). The stopgap measure might be to build more nursing homes, more institutions of that type. But there has to be a better solution, a more human solution, a human approach to solving the very real problem that is ahead of us.

I am sure I am joined by members on all sides when I say that I oppose any attempt to segregate our senior citizens from the normal life of the community. In fact, it was suggested at that time that perhaps we should engage with great vigour and enthusiasm in a program that would give tax grants back to people who altered or renovated their homes to take in senior citizens who, as my friend the member for Prescott-Russell indicated in his example, might well find themselves on their own without the benefit of experience in the work place at a time in their lives when it would be most difficult for them to take on something new.

I feel that as representatives of the people of Ontario we have a duty to ensure that this province's senior citizens are able to enjoy what are referred to rather casually sometimes as their golden years. With this in mind, we must work towards a system that grants them the opportunity to live in dignity and happiness. This will not result if we follow a course that would bankrupt the system. Rather, I believe it is essential to strive for more community involvement while at the same time ensuring that those who need the facilities have easy access to them.

I feel that sheer numbers will insist that society cannot write off one person in every five as simply useless because he or she has passed the age of 65 years. The sheer economics will dictate that individuals must prepare more extensively for old age. I believe sheer common sense argues that care for the elderly is a matter of concern to all ages.

A British medical biologist said recently that Canada is a model to the world in its treatment of the elderly. That is a statement we can be proud of, no doubt, but it also sets a high level of excellence that we should strive to maintain. That is why we must begin today to set a course that will enable us to continue being the envy of the world.

4:10 p.m.

Ms. Copps: Mr. Speaker, that speech might have been the envy of the world, but this resolution certainly is not. Of course, I would have to join with all members of the House in saying that we agree with the nature of the motion. We agree that committees of this Legislature should be looking at these crucial issues on an ongoing basis. We agree, and certainly the member who just spoke, as chairman of that committee, should know, that the standing committee on social development is very well equipped to deal with the kinds of issues that have been raised in private member's resolution 26.

Nevertheless, I would like to take this opportunity to bring the debate down to the level of reality, the reality that exists for people across Ontario because of the absolute bankruptcy of innovative and original ideas by this government. I would like to take a moment to read into the record a headline from the paper in Niagara Falls. It reads, "While She Still Has Breath to Do It, Mother, 87, Appeals to Council for Help in Finding Home for Handicapped Son." The accompanying story starts out in this way: "An 87-year-old mother with a severely handicapped son has asked city council for help in finding a place for him."

It seems to me that when this individual is forced to solicit help from Niagara city council and when the senior citizens department of that municipality is forced to write a letter to the Deputy Minister of Health because it cannot get a proper and appropriate placement for a 67-year-old adult who has been looked after by his mother all his life, then we do have a problem.

That problem goes far beyond striking an all-party committee to find innovative solutions. That problem means providing support for the Thelma Hurds of this world. Heaven only knows, if Thelma Hurd had institutionalized her son those many years ago, she would not have been placed in the predicament she is in today.

The reason this province is among the most institutionalized in the world is that it has not had innovative or creative solutions to keeping relatives and friends at home. In fact, we have had a propensity to institutionalize. When we see a situation where an 87-year-old mother cannot get support for her 67-year-old disabled son, then we recognize we have a problem.

Our party will support this resolution, but I would have been far happier to rise and speak in support of it had the member for Sudbury suggested that there be a stipend, a per diem or a

tax credit to help those citizens who are struggling to keep their relatives and loved ones at home.

It is fair to say that every Ontarian, if possible, would rather have the support system. But when we have a promise such as the chronic home care promise that was made by this government many years ago and was not kept—we were supposed to have chronic care across this province by last year; we may have it by the end of this year, but even that is debatable—it is obvious that while this government espouses platitudes and discusses a private member's resolution about what it is going to do about support services for seniors, its record belies a commitment that is totally different.

M. le Président, j'aimerais faire un petit commentaire parce que c'est évident que notre Parti va supporter la résolution telle que présentée par le député de Sudbury. Mais je serais beaucoup plus contente si sa résolution parlait des vrais problèmes des individus, aussi bien dans le nord de l'Ontario que dans le sud. Et, par exemple, je peux parler du comité du rapport des services francophones en Ontario, les services qui traitaient aussi des vieillards, qui a siégé sur le docteur Jacques Dubois.

Cela fait déjà depuis 1975 que l'on a présenté un rapport qui délinéait la situation abominable pour la livraison des services pour les vieillards, les services de la santé au nord de l'Ontario. Et jusqu'à date, on a même été obligé d'aller à genoux pour plaider la situation de l'accueil médical francophone en Ontario. Je trouve qu'il est inacceptable que l'on continue à faire des résolutions, à demander d'avoir un regard unanime ou un comité tripartite pour discuter des problèmes déjà très connus.

In respect of the resolution, I believe the key issue to be addressed is, what has this government been doing in those areas over the past number of years? The issue of housing has already been addressed.

In the area of psychogeriatric services, I need only point out the abominable situation in northern Ontario vis-à-vis the availability of psychiatrists. When we have an individual physician like Dr. Duckworth in the community of Timmins, who was literally forced to work to rule before he could attract psychiatrists, allegedly with promises that were made by the Ministry of Health, we realize that those people are facing a lot more than a mere resolution. They are facing a reality of underservicing on a daily and a weekly basis.

The policy of the Ministry of Municipal Affairs and Housing in this province has reached

the point where it is not only asking senior citizens who have applied and are lucky enough to be eligible for senior citizens housing to provide a list of their bank accounts, jewels, contents of their safety deposit box and any other personal item they might have within their disposal, but this year it is also asking them to sign over their right of privilege so that the local bank manager can write a letter ascertaining their level of income.

This government does not believe the word of a senior citizen or the signature on an Ontario Housing Corp. form. In fact, they have to get verification from the bank manager. This seems to me to say that while on the one hand this government is calling for greater services and more accountability and more integration of the senior citizens of this province, it is not even prepared to take them at their word when it comes to a declaration of income.

Would it not be far better if they at least asked the senior citizens for access to their T4 slips, which has been done in other cases and which appears to be the practice in other ministries? No, they ask the senior citizens not only to photograph their guaranteed income supplement and old age cheques but also to provide a letter allowing a bank manager to account for every penny they have in their bank accounts.

It seems to me that on the one hand we are saying that our seniors are equal, fair and contributing members of society, yet on the other hand we will not take them at their word and at their signature, even though in many areas, including the collection of income tax and in the establishment of eligibility for guaranteed income supplement and guaranteed annual income system payments, we are prepared to do so.

A double standard seems to be applied. In terms of the work that could be done by a committee, which I would suggest should be the social development committee, and when the good offices of the Provincial Secretary for Social Development (Mr. McCaffrey) are combined with the work of such a committee, if one is forthcoming as a result of this private member's resolution, I would suggest that the government would give greater credence to a report than it has given to the unanimous committee report on the issue of wife assault.

As a member of that committee, having seen all three parties work unanimously to try to find a solution to a very real problem, it is extremely frustrating to me to see that solution thrown aside. After 11 months of discussion, dallying

and delay, that main criterion of the social development committee on wife battering was merely thrown aside.

If members are to take part in this committee as suggested by the member for Sudbury (Mr. Gordon), we should have some guarantee in advance that the committee will have power not only to report but that there be power of implementation.

4:20 p.m.

There are many serious problems to be faced across this province, not the least of which is the changing demographics of Ontario. But if this government is to be counted on its record, I am not terribly optimistic about the results of the committee as suggested by the member of Sudbury. Nevertheless, I certainly join my colleagues in supporting the resolution. I would have wished it had been more substantive in the short and the long term, but I see it addresses one of the single most important problems we will face over the next decade in Ontario.

Mr. Cooke: Mr. Speaker, I am happy to join with members of the Legislature on this resolution.

[Applause]

Mr. Cooke: I might not have 10 minutes, so keep banging. I will certainly be supporting the resolution.

My only disappointment is that there is nothing specific in it. We all recognize the problem. We all recognize the potential. Usually where there is a problem there is also a potential to capitalize on that problem. But the resolution simply says, "Let us set up a committee and study the problem." It points out the reality that the government has not done much planning over the last number of years.

My involvement with seniors in my home city of Windsor started more than 10 years ago when I was a staff person with United Way, staffed the planning committee for Senior Citizens' Week and worked at one of the homes for the aged as well. My biggest concern has not been hard services as much as the attitudes people have about the elderly in our community. Much of the lack of services and many of the services themselves indicate that philosophy and the lack of understanding of the ability of senior citizens. It is the attitude we must work on to achieve real change in our society.

There are many examples of what senior citizens have done for our communities. My colleague the member for Etobicoke gave a couple. It seems to me the overall attitude of people is that, once a person hits a certain age,

he retires. He is not able to contribute to society. We may or may not give him an adequate pension. It depends where he worked, how long he worked and what the circumstances are.

There is no guarantee one will not be living in poverty in Ontario if one is a senior citizen. Basically we say that if one is old, one is expected to lose one's memory, one is expected to begin to fail physically and, in the end, the alternative is institutional care.

Some of the statistics are very interesting and indicate the kind of attitude we take. For example, a few years ago I met Dr. Goldberg from, I believe, the Hurley Institute in Flint, Michigan. He used to be on Canada AM quite often. I met him in Toronto. He gave me a statistic that shocked me. It was that of all the people in our nursing homes and homes for the aged who are labelled as having senile dementia—in other words, losing their memories and going senile—40 per cent of those individuals have some other physical problem and could be cured.

In many cases it is drug overdose, depression or disorientation because of rapid moves into new situations like nursing homes. In some cases there are actual physical problems. Yet because in our society our attitude is that when one gets older one cannot contribute to society—even if one is physically able, all sorts of roadblocks are put in front of one—there is little, if any, effort made to properly diagnose senior citizens and provide treatment.

I saw this time and time again when I visited nursing homes in Windsor, when my grandmother was in a nursing home and when I worked at Huron Lodge Home for the Aged. One of the examples, which was changed only five years ago, was right in the homes for the aged. Most of the homes for the aged have a special care ward where disoriented residents are placed. Many of these wards are secure wards.

Until five years ago, there was no process for admission, no process for review and no way to guarantee those individuals' rights. It was only when the situation was brought out in the social development committee with the member for Kingston and the Islands (Mr. Norton), the then Minister of Community and Social Services, that eventually this was changed and now regulations are in place.

That kind of situation demonstrates very clearly our attitude towards senior citizens. That would never happen with younger people.

We simply would not allow that to occur. Individual rights are respected and written in law, but for senior citizens those rights are not so important. That is a very sad commentary on both this government and society in general.

We really do need and can develop the alternatives that are necessary in our society in order to maintain independence and provide the care needed for senior citizens. We have talked about home care and heard commitment after commitment from minister after minister in the Health portfolio about the expansion of home care. Yet we still know it is not a universal service that is available all across this province.

Many proposals have been made about day hospitals to assist people so that we do not have to keep them in overnight on a regular basis. Day hospitals can provide the kind of care necessary for some people while still building in the independence for our citizens. There are also homemaker services.

All of these services, if put in place, would maintain independence for seniors but I believe they would also save considerable dollars for the taxpayers of this province. Bed study after bed study in community after community has indicated we have people in active treatment beds who should be in chronic care beds, we have people in chronic care beds who should be in nursing home beds, we have people in nursing home beds who should be in rest home beds. Also, we have people who would not even have to be in rest homes if we had proper homemaker and home care services.

If these alternatives were put in place, there would not be waiting lists to get into active treatment beds. There would not necessarily be waiting lists to get into chronic care beds in our public hospitals. If these less costly alternatives were put in place I believe they would save the taxpayers money and would provide much-needed services so that many of the people in our community could remain at home and maintain independence and dignity.

I have no idea what excuse the government has for not putting them in place. I do not know whether this committee could come to grips with that problem. I do not believe it is a case of not understanding the problem. The bottom line is that this government is not willing to move and take the necessary action.

One of the really sad commentaries on what this government has done is the lack of regulation of rest homes in Ontario. Rest homes in this province are by and large considered to be "retirement homes" where some services and

care are provided, yet this government consistently refuses to regulate them. There are only four or five municipalities across the province that have local bylaws for any kind of regulation of rest homes.

A case was brought to my office a couple of years ago in which an elderly couple was residing in a rest home in Glencoe near Chatham. The rest home went into receivership and closed down. The owner of that rest home put these two elderly people in his car, brought them to Windsor and dumped them off at University Rest Home about 125 miles away.

When I brought this to the attention of the Minister of Community and Social Services (Mr. Drea) his response was: "It is out of my jurisdiction. There is nothing I can do about it." The facts are confirmed by the local welfare office, yet no one is willing to go to bat for these senior citizens, two people who have been taken advantage of by the private operator of a rest home.

Another example of how we treat our elderly right now is the nursing home situation that existed in Ridgetown. The owner of the nursing home there did not sell it, because the nursing home itself was not to be relicensed; the building did not meet the regulations. He sold the licence, which meant he sold the residents. The new nursing home was provided, not in Ridgetown but in Chatham. These people who had grown old in their own community and wanted to remain in Ridgetown where their relatives were, no longer had nursing home services provided to them; in fact, they had to be moved to Chatham.

4:30 p.m.

That type of situation, where we basically sell residents because of the private ownership of nursing homes and the way that the nursing home licence process goes, is another indication of the lack of action and the attitude this government has taken on matters that are very important to senior citizens in this province.

I am not suggesting that all senior citizens need to be in nursing homes and rest homes, but the lack of proper regulation and care that is given is of great concern to both seniors and relatives of seniors. I believe the quality of life in these institutions will improve only when the profit motive is taken out of nursing homes and when we turn over nursing homes to nonprofit charitable organizations within this province.

My time has elapsed, and I appreciate having the opportunity to participate in this debate.

The Deputy Speaker: Member for Sudbury, you have six minutes remaining. Do you wish to use all of that?

Mr. Gordon: First of all, Mr. Speaker, I was quite pleased to hear the very thoughtful presentations that were made on the other side of the House. It was certainly interesting to note that those who did speak focused on a few details but then went on to talk about the broader outlook when it comes to the problems of the ageing in the next 10 to 20 years.

There is no doubt about it, as was stressed by all members, that there is a real attitudinal problem when it comes to seniors. Unfortunately, it seems that too many people, once they see a person has reached a certain age, regard that person as sort of a shadow and they do not recognize him or her with the same degree of respect and understanding that they would have for a younger person.

That in itself tells us something. It tells us there is a great deal of work to be done in regard to focusing on those who have not yet reached that age and getting the public to realize that they have been trapped by stereotypes and ideas that are stereotypes.

I also welcome the points that were raised about widows and ageing women, because we know there are more elderly women living alone today than men and we know women are more likely to be poor than men. There are many issues concerning women and ageing that need to be addressed and looked at in the long term.

My mother related an incident to me about a month and a half or so ago. She was talking about how she had been involved in a car accident in Sudbury. The police officer who came, immediately paid attention to the men who had been involved in the accident and it was almost as if she did not really exist. It just so happens that in this accident she was not at fault and it was shown that she was not at fault; but because she was a widow, because there was not a man around and because she was well over 75 years of age, she just did not count. It was not just with the police officer that she did not count; she did not count with the other men standing around who happened to be there at that time and who were being talked to about being witnesses and so forth.

We can see that there is a real problem. If we can look at the future of seniors and if we can see the forest rather than just the trees, then we are going to be able to help senior citizens to be much more independent and to break this cycle of dependence that has been visited upon them.

We must do even more and come up with even more vigorous policies over the next years.

All of us here recognize that there are some seniors who will always need support to maintain their independence. I think an all-party committee will be able to assess the issues, particularly when they are related to health, housing, education, communications and so forth. We hear a lot about technology today; we hear that we are moving into rapid changes in technology. No one in this House, including myself, can perceive the kinds of problems we who are ageing and those who are older than us are going to have to experience because of technology.

Many of us would agree that certain technological advances will be good for seniors, but if we do not take a good, hard look at the question, in a nonpartisan fashion, and move on it now, we will lose an opportunity that may not come again.

In summation, I would like to quote Gary Stamm, the president of G. M. Stamm Economic Research Associates, who pointed out two years ago to a meeting of the North American Society for Corporate Planning:

"The baby boom has created fundamental shifts in economic activity that has had as much impact as the Great Depression of the 1930s. Those who understand the implications of the shift in the present population structure will be able to anticipate the other accompanying changes in our society."

That is a very relevant quote. It is incumbent on us to recognize that it is necessary to talk about our ageing society in advance of its full arrival, if only because the impending changes have already cast a shadow on our time.

I would say to my honourable colleagues that changes in policy and program planning take time. Examining the problems and the lead times today will allow us to set priorities which give us planning direction and implementation time in the future.

I think we must also recognize that while we have spent a great deal of time over the past few years talking about pensions, it is not the only subject of concern when we talk about ageing.

I would very much like to see this committee established. I think, with the support of an all-party committee, we can definitely seek ways of developing, in co-operation with the seniors secretariat and other agencies, a long-term strategy aimed at minimizing the dependency and maximizing the productivity of our future senior citizens.

The Deputy Speaker: I thank the member for his remarks. This concludes the discussion on this matter.

ROYAL ASSENT

The Deputy Speaker: I beg to inform the House that in the name of Her Majesty the Queen, the Honourable the Lieutenant Governor has been pleased to assent to certain bills in his chambers.

Clerk of the House: The following are the titles of the bills to which His Honour has assented:

Bill 51, An Act to amend the Ontario Water Resources Act;

Bill 52, An Act to amend the Environmental Protection Act;

Bill 61, An Act to regulate Off-Road Vehicles;

Bill 85, An Act to amend the Crop Insurance Act (Ontario);

Bill Pr2, An Act respecting Frontier College;

Bill Pr9, An Act to revive Roitman Investments Limited;

Bill Pr17, An Act respecting the Canadian National Exhibition Association;

Bill Pr19, An Act respecting Family Day Care Services;

Bill Pr21, An Act respecting the Institute for Christian Studies;

Bill Pr32, An Act respecting the Brockville Young Men's Christian Association-Young Women's Christian Association;

Bill Pr36, An Act respecting the City of Toronto;

Bill Pr38, An Act respecting New Horizons Day Centre Incorporated;

Bill Pr39, An Act to continue the Corporation of the Union of Townships of Eilber and Devitt under the name of the Corporation of the Township of Mattice-Val Côté.

NORTHERN ONTARIO TRANSPORTATION

Mr. Piché moved, seconded by Mr. Robinson, resolution 27:

That, in view of the importance of efficient systems and networks for travel and goods transportation for the quality of life and economic development of northern Ontario, especially the far north, this House urges the government of Ontario to establish and maintain an office of the commissioner for northern transportation. The commissioner would be directly responsible to cabinet and would (a) co-ordinate and facilitate the development of policies for improved travel and goods transportation in

northern Ontario; (b) make recommendations to cabinet, the Minister of Transportation and Communications and the Minister of Northern Affairs for the improvement of facilities for travel and goods transportation in northern Ontario; and (c) assist and advise individuals, corporations, Indian bands and municipalities that experience difficulties with or seek improvements in travel and goods transportation in northern Ontario.

4:40 p.m.

The Deputy Speaker: The member has up to 20 minutes.

Mr. Piché: Mr. Speaker, transportation, a vital government responsibility, is perhaps the most important factor in providing for the development of the north and the wellbeing of its citizens. In seeking the support of the House for this resolution, I hope that at the very least this debate will serve to remind us of the vital role that transportation plays in the economic and social life of northern Ontario.

Since I represent a northern riding, the construction and maintenance of efficient transportation systems in the north is naturally a matter of considerable interest to me. However, I suggest this is a matter that should be of real concern to all members. The entire province will benefit from continued development in the north. Further, the economic and social integration of the northern and southern parts of our province will help build a greater sense of community and understanding between our regions.

Before I had the honour of joining this assembly as the representative of the people of Cochrane North, I had the privilege of serving as the mayor of Kapuskasing. While in that capacity, I worked as a member and as chairman for eight years of the northeastern Ontario municipalities' action group. The group was formed in 1972, and its membership was made up of the mayors of the municipalities of the northeast, which included approximately 32 communities from Hearst to North Bay.

The action group's primary objective was to improve the transportation of people and goods in the region and in the north generally. The group also attempted to address the problem of high transportation costs and the detrimental effect these costs add to the economic development of the region. This action group had one guiding principle or motto. That principle was that transportation is the key to northern development.

In addition to my work on the action group, I had the privilege of serving for seven years as a commissioner of the Ontario Northland Transportation Commission. In both of those capacities I had the opportunity to acquire not only a certain knowledge of the transportation needs of northern Ontario, but also an appreciation of the fact that there are no magical or easy ways of meeting those needs.

Looking back on the period of the early 1970s from the vantage point of 1983 and from the experience I acquired during my work with the action group and on the ONTC, I would make three observations.

First, largely because of the efforts of this government, the situation with respect to transportation and economic development in the north is much improved. In my view, the single most important event that led to this improvement was the creation of the Ministry of Northern Affairs. Since its creation in 1977, the Ministry of Northern Affairs has assisted in the design, implementation and funding of comprehensive, co-ordinated programs and policies to improve transportation and assist economic development and diversification in the north.

Second, now as in 1972, transportation is the key to northern development. I am sure that northern representatives of all parties would agree that transportation and economic growth are synonymous in northern Ontario.

Third, there still remain problems with the development of transportation systems in the north to which we have not yet found effective, affordable solutions. As one would expect, these problems are directly related to geography, climate, economic base and pattern of settlement in the north.

Northern Ontario is a vast region which covers some 309,000 square miles of rugged and varied terrain. Approximately 780,000 people live and work within this huge region. In other words, a region that represents 90 per cent of the total area of the province contains less than 10 per cent of our total population.

Within this region there is another area, the far north or the remote north, which has its own unique identity and unique set of transportation and economic problems. This region has been defined by the Task Force Study on Transportation and Living Costs in the Far North as that part of the province without reliable all-weather ground access. This area contains less than one half of one per cent of our total population.

As all members know, resource industries, especially mining and forestry, are the eco-

nomic mainstays of northern Ontario. Of late, tourism has also become a very significant industry in the north to the point where it now rivals the more traditional resource industries in terms of importance. The historic reliance of the north on resources has largely determined the pattern of settlement and construction of transportation systems in the region. Urban settlement and the growth of transportation infrastructure have been generally influenced by resource availability.

In the north the obstacles to efficient transportation posed by great distances, rugged terrain and a small dispersed population are compounded by the effects of a harsh climate. Harsh weather conditions make it more difficult and expensive to construct and maintain transportation networks.

How we overcome those obstacles will determine the way we deal with the unique transportation needs of the north. As I mentioned, there are a number of these needs we must continue to address. For example, we will have to respond to the negative effects of the continuing withdrawal of rail passenger and freight services by the national railroads in the north and to demands for a restructuring of air services. We will also have to be prepared to deal with increased use of our highways in the north and with the need to expand our system of roads for both resource development and access purposes.

One matter which is of particular interest to me, given the nature of my riding, is the high cost of living in remote communities. I find it unacceptable that a resident of Winisk on James Bay should have to pay \$3.60 for a pound of butter, \$2.25 for a loaf of bread or \$6.50 for a gallon of gas.

As I said earlier, efficient transportation is the key to northern development. Northern producers are located a considerable distance from the major markets in southern Canada and an even greater distance from our major export markets. The small size of northern communities and of northern markets not only serve to increase the costs of imports to the north, but inhibit and discourage the creation of secondary industries in the north.

These are the economic facts of life in northern Ontario. To overcome them, to encourage economic diversification and to ensure that our resource industries remain competitive require that we have in place a transportation system that can mitigate the negative effect of these factors. As I suggested earlier, this matter should be of interest to all members and to all

the citizens of our province. The economic condition of northern Ontario in many ways reflects the health of our resource industries which make a major contribution to our gross provincial product.

Take mining, for example. In 1982 the estimated total value of mineral production in Ontario was nearly \$4.3 billion. Given that 90 per cent of minerals mined in Ontario are exported, this industry makes a substantial contribution to the wealth of the province and to our export trade. One thing that became apparent during the recession was that export markets for minerals have become extremely competitive. New producers entered the field who, for a number of reasons, were quite willing to undercut prices. Many of these producers enjoy advantages not available to our producers in the north. Some of these producers are located much closer to major markets and have very low labour costs.

4:50 p.m.

In other cases, producers are controlled by governments which use the industries to support domestic employment levels and gain much-needed foreign currency. In these cases, the primary objective is to sell the product at any cost, and the price often bears little relation to the cost of production.

If our northern producers are to continue to compete effectively in this environment, it is imperative they be able to ship their products at a cost that does not price them out of the market. Likewise, it is vital for future development that transportation costs and the quality of the transportation system do not deter new projects.

As I mentioned, tourism is becoming an ever more important industry in the north. It is, I believe, the largest regional employer of the young, of women and of our native population. While not recession-proof, the tourism industry appears more resistant to negative economic pressures and does not follow the boom or bust pattern typical of other resource industries.

The tourism industry offers an excellent vehicle for increasing employment opportunities and for broadening the economic base in northern Ontario. However, the future development of this industry will depend on transportation.

International competition for the tourist dollar is fierce. If we are to get our fair share of that dollar, we must not only convince the tourist that northern Ontario offers a unique travel experience, but we must assure him there are

safe, reliable and affordable ways of getting there.

I believe these few examples illustrate the importance of transportation for the economic development of the north.

Similarly, transportation has been and will continue to be a key factor in the social development of the north. For isolated northern communities, reliable transportation means access to services such as health services which may not be available in the community. It also means contact with the outside world. Good transportation systems quite simply mean a better way of life.

Governments in Ontario have long recognized a responsibility to assist and undertake efforts to improve the transportation of people and goods in the north. Major government efforts in this field date back to the year 1902 when the government of the day advanced \$40,000 to assist in the construction of the Temiskaming and Northern Ontario Railway.

The T and NO Railway opened the northeast section of our province. It led to the rich silver discoveries at Cobalt and the gold bonanzas in Timmins and Kirkland Lake. That one railway laid the foundations for the forest, mining and agricultural industries, which continue to provide an economic base for the region today.

Since the founding of the T and NO I would venture to say no government in this province has taken the problems of transportation and development in northern Ontario so seriously as has the current administration, nor has any government so successfully met its responsibilities in this area.

What began as the T and NO Railway has grown into the Ontario Northland Transportation Commission. Through the commission, the Ministry of Northern Affairs supports and operates a whole range of public transportation and telecommunications systems. Currently, through the commission, this government is involved in the provision of air, rail, marine, bus and shipping transport services to the citizens of northern Ontario.

It would not be possible here to detail either the substantial investment the government has made in all of these services, nor adequately to describe the positive impact they have had on life in the north. However, I think a special word must be said about norOntair. In my opinion, and it is I believe an opinion which will be shared by all northern members, norOntair has proved to be a great success.

When ONTC assumed responsibility for

norOntair in 1973, the airline served four communities. Today 21 communities are served by norOntair and the airline has provided the people of the north with over a decade of accident-free, dependable and efficient transportation.

Moreover, norOntair is a unique commuter airline which brought reliable air transport services to many communities in the north that for years were labelled as too small to make scheduled air service practical. It is encouraging to note that norOntair will continue to grow with the addition next year of the new Dash-8 airliner which, I should point out, is built here in Ontario by de Havilland.

This government's investment in transportation services for northern Ontario has been complemented by policies and programs to assist the economic development of the north. Programs such as the remote airport program, the resource access roads program and a whole series of programs to assist remote, unorganized and single-industry communities are indicative of this government's intention to foster economic growth and diversification in imaginative and effective ways.

The record speaks for itself. This government is committed to overcoming the obstacles of great distances and a dispersed population to provide comparable services and access to the people of the north. All these programs and services have in one way or another helped the north to grow and to attract industry. However, though tremendous progress has been made, there is more that can be done. The resolution before us today gives us the opportunity to renew our commitment to meeting those challenges.

I want to make it clear I have every confidence that existing agencies are more than capable of developing solutions to the problems of northern transportation. I have suggested that an office of the commissioner for northern transportation be created simply because, in my view, such an office would focus and co-ordinate our attack on these problems and thereby facilitate and expedite solutions. As I see it, the office of the commissioner would concentrate exclusively on the problem of transporting people and goods throughout northern Ontario.

The office of the commissioner would be able to provide the government with a perspective on all transportation issues in northern Ontario, both provincial and federal. This same office could co-ordinate the efforts of the provincial ministries concerned, their agencies and con-

cerned volunteer groups, resulting in a fresh perspective on the problems and, I hope, new solutions. This group should review all reports available on transportation in the north, including the forthcoming Ontario rail access report.

The commissioner would naturally have to work closely with the Ministry of Northern Affairs and the Ministry of Transportation and Communications. The commissioner could assist these ministries in the identification of problem areas and with the development of affordable solutions. The commissioner could also function as a single, highly visible and accessible point of contact for northern industries and municipalities on transportation matters.

Most important, the commissioner for northern transportation would help to solve the people problems of the north. One of the big problems I would like to see the commissioner address is the problem of the high cost of living in communities in the remote north.

I do not know if this resolution will meet with the favour of the House. As I said, I have brought this resolution forward as a suggestion on how we might improve on an already good record of dealing with northern transportation problems. In the long run what will matter is not whether this resolution is adopted, but whether the problems of northern transportation are addressed. It will be of little interest to the people of northern Ontario if the job is done by a commissioner or by some other agency as long as the job is done.

In any event, I felt it was important to take this time to remind the House of what a vital role transportation will play in the development of the north. I felt it was important because sometimes here in Toronto, surrounded and served by miles of expressways and freeways, by collector lanes and express lanes, by subways and streetcars, by a lake and an international airport, by short takeoff and landing flights and by trains, we tend to forget there are areas in this province where good transportation is not taken for granted.

As a representative of a northern riding, it is my responsibility to ensure that this House does not forget those problems and does not lose sight of the need to resolve them.

In concluding, I would like to repeat my opening remarks, which were: Transportation, a vital government responsibility, is perhaps the most important factor in providing for development of the north and the wellbeing of its citizens.

5 p.m.

Mr. Van Horne: Mr. Speaker, I am rather surprised the honourable member did not save five minutes for a rebuttal. It is rather unusual. However, I have a suspicion he feels there will be no need for rebuttal because his resolution is so good it certainly could not be talked down.

In order to put him at ease—I can see he is shaking over there just like jelly on a plate—I have to tell him at the outset that I am speaking in favour of this resolution.

Mr. Kerrio: That's the good news.

Mr. Van Horne: The bad news is that I have to wonder at a government that has been sitting in power for 40 years, having had the entire province as its responsibility, not being able to come up with some kind of game plan to accommodate the needs of northern Ontario.

Certainly, when we listen to the words of the member for Cochrane North (Mr. Piché), we have to understand there are problems up there, very severe problems. These problems were highlighted in a report commissioned by the Ministry of Northern Affairs a couple of years ago. That report, I understand, was tabled last fall and became public, or we learned a little bit about it, in the spring of this year. I refer to the task force report on transportation and living costs in remote northern Ontario communities, which I believe was released in April.

I do not want to get too far into that report, because it is something slightly separate from what we are talking about here, but press reports about the task force report indicated that the transportation sector fared well, with several glowing references to the province's program to build airstrips in remote centres, etc.

The report pointed out that since 1968 the number of fields had more than doubled and urged continuation of the work where applicable. It did suggest more work could be done to extend all-weather roads and winter roads to cut air costs, but it said some communities did not want roads. All villages studied were isolated, accessible by air or water. Some residents feared an all-weather road would bring unwanted commodities and people. Most of the settlements are Indian ones, and government officials said Indians are wary of outside influence on their lifestyle.

Some reports went on to say there were many discrepancies that existed in pricing of foods and commodities. Of course, one can tie that in with what the member has already talked about, the distance and the fuel costs and their effect on the cost of goods in the north.

They went on to quote one specific example in the report of lumber for a new dwelling to be built on the shore of Hudson Bay. The lumber cost for this new building was \$9,000, and the transportation cost to get the lumber to the community was \$8,000. So there is no question that transportation costs have a very serious and direct effect on the cost of commodities in the north.

There is no reference I can see about the additional cost brought about by government taxation policies. One could talk about the gasoline ad valorem taxes that apply in northern Ontario. I am sure the member for Lake Nipigon (Mr. Stokes) would be able to quote chapter and verse on gasoline prices. I cannot give them nearly as well as he could, but there are any number of examples of gasoline costing \$1.20, \$1.30 and \$1.40 a litre. In southern Ontario we scream when it gets up to 45, 48 and 50 cents. Imagine the drain on a person's financial resources in northern Ontario with costs such as that.

Although I support the resolution, and I can see the need for it, I have to wonder why it has been left so long and why the government has not addressed itself to this specific need long before now.

Let me add another note of criticism. Last year, the Northern Affairs critics for our party and for the third party, along with the Ministry of Northern Affairs, were asked to contribute to a little publication called *Noract*. Whether that is the proper name, I do not know. I have the magazine in front of me. I recall sitting down with our research people to make a submission on passenger rail service in northern Ontario. I would like to quote from part of that because it is germane.

"In our response to the request for observations on passenger rail service, we pointed out the obvious in the beginning, that is, 'that one of the most important features of northern Ontario is the geographic distribution of a high percentage of its population in relatively small centres. The type and quality of transportation of the north's vast area is strongly influenced by this factor because these centres, in addition to being far away from the population and market areas of southern Ontario, are also separated from each other by distances and terrain which prohibit convenient and efficient travel.'"

If that is only so many words, let me relate a personal experience as briefly as I can. The six children in my family choose at times to do different and wonderful things. My number two

daughter, who was completing high school a couple of years ago, thought she might be cut out for some form of missionary work or work in the far-flung regions of this wonderful country of ours. She took it upon herself to volunteer with the Oblate Fathers, who operate out of Ottawa, for a camp in the Moosonee area known as Oskiniko.

That camp is accessible by air and water. I suppose if one had some kind of boat, one could get to it by river, but if one does not have a train, plane or boat to ply that river, one surely is not going to get to Oskiniko. It is remote. I did take the Polar Bear Express to that spot and was kindly dropped off by a considerate crew. I spent some time in that rather remote area. As that train pulls off down the track and one sees the last of it, there is a distinct feeling of being all by oneself. When that is translated into a permanent lifestyle for people in northern Ontario, it is something we have to admire them for.

Yet we have to be very disconcerted about Via Rail shortening or cutting out service. I do not have time to go into chapter and verse on that. There are any number of examples that the members who reside in the north can quote for us of service being cut back and the disastrous effects it has on the people in these small communities.

In the submission I made to this little publication, I tried to point out that "a rationalization of rail service should not merely consist of a cutting exercise. If cuts must be made, then there must be a relocation of funds to be used in the development of other modes of transportation." Again, time does not permit a long development of that theme.

Let me conclude in the one minute I have left by submitting that I hope the member's resolution will address itself to that sort of rationalizing. If one has to cut, then one has to relocate. One cannot simply cut and walk away from these communities.

The government must also look at alternatives for dealing with the area's very high cost of living, which has a direct bearing on the tourist industry. We are not going to continue to attract tourists if we price ourselves right out of the business.

I wonder why it has taken so long. I wonder why the government does not have a game plan. I hope that if some action is taken on this resolution, it will have a game plan.

5:10 p.m.

Mr. Martel: Mr. Speaker, I am not surprised

that my friend the member for Cochrane North moved this sort of resolution. I well recall listening to him many years ago and thinking, here is someone with some vision. Then I found out he was a Tory and I knew it was window dressing.

I say that because this government has been in power for 40 years. I remind my friend of that. I also remind him that his party and the federal Liberals have failed to deliver any type of co-ordinated transportation system in northern Ontario in any way, shape or form.

Mr. Piché: You weren't listening.

Mr. Martel: I have been listening. I am going to discuss some points. The member should just listen for a few minutes.

In 1971, the Premier (Mr. Davis) stood on a stage in Parry Sound and said to the people: "We are going to have a link between Parry Sound and North Bay to get to the water. That is a promise." Lorne Maeck nearly fell off the stage when the Premier made that promise, a promise on which he still has not delivered.

Let me name just a few other items. We had a freight rate reduction for northern Ontario through the Ontario Northland Railway. That railway was developed, as the member said, to open up the north. Consumers did not derive any benefits from that reduction; the shippers got the reduction. What did the consumers in northern Ontario get from the reduction brought in by the government? It was not passed on to the consumers and therefore their costs are every bit as high today as they were then. The shippers got the benefit.

The government gloats about the air service. I recall when that came in. I was in this Legislature. I remember the government, after getting it established, wanted to sell it. There was a great hullabaloo to try to get the government not to sell that off. My friend the member for Lake Nipigon will remember they wanted to turn it over to free enterprise. I remember that well. They wanted to give it away. The member for Cochrane North shakes his head. I suggest he look at the record. It will speak for itself.

Mr. Piché: I was on that commission for seven years, I should know.

Mr. Martel: I say to my friend, look at the record. The government was going to sell it.

I have argued about freight rates in this House for years, as I have in committee. I have not seen much intervention in Ottawa by this government on behalf of reducing freight rates in northern Ontario, which is the highest freight

rate zone in Canada. Where has the government been in leading the fight to reduce freight rates, particularly when one looks at the cost of finished commodities going north as opposed to the cheap method of shipping raw materials out of the north?

As long as that system of shipping raw materials south prevails, with all the added weight because it is not thoroughly processed, northern Ontario will not develop. It is cheaper to take it out of the north, bring it south and process and manufacture it here.

Where has the government been all these years? My friend is on the right track. But how can the government claim to guarantee the proper development of northern Ontario when it allows raw materials to come out of the north so cheaply? It prevents any secondary development in northern Ontario at all.

Things went from bad to worse when the government decided to take the responsibility away from the Ministry of Transportation and Communications and give it to the Ministry of Northern Affairs. I suspect what the member is trying to do with this motion is remove responsibility from the Ministry of Northern Affairs and give it to a body with the expertise to do some planning, to look at it in its broad perspective and say, "Yes, we need some roads here and some air transport here" and so on.

I do not care how good the people are at Northern Affairs; they do not have the capacity to make those decisions. The minister makes a political decision and it is handed back to the Minister of Transportation and Communications (Mr. Snow) to work out the details. When we need planning and co-ordination, we have somebody running around the north with his chequebook. That has nothing to do with proper planning.

I have talked to person after person from the Ministry of Transportation and Communications who say the Ministry of Northern Affairs interferes constantly and the staff does not know what it is doing. If that is what the member for Cochrane North did it for, I give him credit, because it has to go back to the people who specialize in transportation and communications and not to somebody with a small staff who is more interested in seeing how many cheques he can deliver at what place at any given time. One cannot have proper development with that sort of system.

Also, the problem of the trucking industry hauling north with a load of food and finished goods and hauling south empty, was argued on

this side of the House. My friend has said it over and over again, as I have and as my colleagues from the north have: we cannot have anything that relates to the cost of goods in southern Ontario if we are going to have half of that trip completed empty.

What have we done for them? Nothing. I suggest to my friend, if he is really serious, tonight he will go over to Sears, Eaton's or Canadian Tire and get a catalogue, go up north and get the same catalogue put out by the same company in northern Ontario. He will find it is \$8.50 more for a wheelbarrow, \$5 more for whatever item one wants. Let him take a look at the discrepancy.

A number of years ago, when we first arrived here, my colleague and I went down to one of the oil companies, because those of us from the north know what the cost of gas and oil is and we used to be told it was the shipping rates. Don Jackson, my friend and I went to Imperial Oil, he will recall.

The difference is not that great, it has very little to do with shipping and yet one pays eight and 10 cents a litre more. Remember just a couple of years ago when we used to pay eight or 10 cents a gallon more? Why are we paying eight and 10 cents a litre more? Has the cost of delivering increased by that much?

The problem is the government does not have the courage to assist the consumer by making some of these birds justify what the costs are. He is going to try to do it through some commission that is going to provide some input to the cabinet. The cabinet has known of the problems all these years.

Many of the cabinet ministers have come from northern Ontario, from the riding adjacent to that of the member for Cochrane North. The riding he now represents had a cabinet minister 10, 12 or 14 years ago. What did he do? Why did not somebody advise him? Or did he not see the problems as the member perceives them, coming from Moonbeam as he does, very close to his bailiwick.

I am surprised he has had to move this sort of resolution. We will support it. It is a motherhood resolution, but we are hopeful it will do something. The government has been sitting in the vanguard and should have been able to develop the appropriate transportation network so we could move goods, services and people quickly and as cheaply as possible, but it has failed completely.

In the one minute remaining to me, I want to talk about passenger service. I have been riding

a fair amount. I travelled by train a couple of times recently between Capreol, Foleyet and Hornepayne. It is the most miserable service in the world. There is a consumers' group that has now described it as the worst service in Canada. There is drinking, cursing and swearing, and the women and the kids sit in the same car as the drunks. Do members know what the food is on that train? Canned beans, canned spaghetti and canned stew. It operates three times a week and it wipes out the tourist industry along that rail network.

5:20 p.m.

We have talked to the minister about appealing, going to Ottawa, making tough representations. Nothing. The company simply says, "Your government has failed miserably." We will support the resolution. We hope it will lead to some good, because what your government is doing now and has done has been useless.

Mrs. Scrivener: Mr. Speaker, I am pleased to be able to say a few words in this debate on the resolution introduced by my esteemed colleague the member for Cochrane North.

I applaud the member for his leadership in drawing this matter to the attention of the Legislature. He has done this House, his constituents and the citizens of northern Ontario a great service by proposing this resolution for discussion, and I am pleased to know it has so much support from all members.

Some members may recall that in 1980-81 I had the privilege of serving as chairman of the Ontario Task Force on Provincial Rail Policy. During that time, I became well acquainted with the essential role railways play in Ontario's transportation system, and my visits to the north both before and during my tenure as chairman have clearly emphasized how dependent northern Ontario is upon rail service. In the final report of the task force, we wrote of this dependency in this vein:

"Many of the communities along Canadian National's northern line between Capreol and Winnipeg and the Canadian Pacific line between Cartier and White River are rail-dependent. Only about half of them are also located on hard-surface roads; others are accessed by long, circuitous road routes, some of which become impassable at certain times of the year. Others have no road access. Some with roads have no bus services.

"Rail-dependent communities have extremely fragile social and economic environments in which even minor changes to the rail system

carry significant economic and social consequences.

"The communities which would be most seriously affected by changes in the rail system are those trading centres and settlements with limited alternative means of transportation. Some of these communities have no local government and, therefore, no ready means of adequately voicing their concerns. The people who would be most seriously affected by any changes to rail services include the elderly, low-income groups, native people and others who depend upon rail for medical services, household goods, social and business purposes, schools and employment."

Meeting these challenges and providing good rail service throughout the north requires the co-operation of all levels of government, both provincial and federal. Yet in the scant two years since publication of that section of the task force report, the rail system in northern Ontario has not improved. Indeed, it has deteriorated. Many northern communities were established solely because of the railway and now they are being systematically abandoned by the federal government and the railways.

Unhappily, the federal government has not lived up to its responsibilities in northern Ontario over the past several years and, as a consequence, is now becoming part of the problem, not part of the solution to the transportation needs of that region. The economic and social consequences are far-reaching indeed. It is somewhat ironic that the federal government began to reduce its role in northern transportation in our province during that period when this government was making every effort to upgrade the quality of transportation services it provided in the north.

By the mid-1970s, the government of Ontario had added a whole range of new first-class passenger service equipment to the transportation systems of the Ontario Northland Transportation Commission. While these new initiatives and improvements were being undertaken by the province, the Canadian Transportation Commission was recommending cutbacks in crucial rail passenger services in northern Ontario, and the federal government's Via Rail plan, which was supposed to improve rail service, actually curtailed rail service in the north.

Of course, the communities hardest hit by this federal policy were those communities described in the task force report as the rail-dependent communities, communities with limited or no road access. The most significant service reduc-

tions were announced on July 27, 1981. At that time, the federal Minister of Transport revealed that Via Rail services would be cut by 20 per cent. Among the services affected in northern Ontario were the Capreol-Hornepayne and Winnipeg-Armstrong runs, which were eliminated. Five other major routes had services reduced by 50 per cent or more.

The deterioration of rail service in northern Ontario has by no means been limited to passenger service. Freight service has also been affected. For many years both CN and CP have been gradually reducing the level of freight service they provide to northern residents. One only has to look at the number of station closings and agent removals that have occurred in the north to gauge the dwindling level of commitment the national railways have to the servicing of this region.

A good example of the deterioration of freight service in the area is CN's recent application to abandon a section of the Pagwa subdivision, which is part of CN's northern mainline track. If this application is granted, other sections will surely follow. In this instance, and it is well noted by the representatives of the lumber industry, it appears that CN has deliberately taken itself out of the market.

Spokesmen for the lumber industry pointed out at the CTC hearing that although they preferred to ship by rail, CN's actions were forcing them to use trucks. This is not a new complaint nor is it an isolated incident. During the task force hearings I heard similar concerns expressed by resource industry representatives across northern Ontario. For the northern communities, cutbacks in rail service, their economic lifeline, mean increased isolation, increased access problems for tourists and increased problems related to the import and export of goods and services.

The provincial government has consistently opposed these reductions in rail service. For example, it was the provincial government, through the Ministry of Northern Affairs and the Ministry of Transportation and Communications, that conducted an impact study on the effect the 1981 cuts would have in the north.

Even after the serious negative consequences of this policy had been identified, it took over one year to convince the federal government to even look at existing Via Rail services in northern Ontario. Currently, a joint federal-provincial review is under way. However, the service abandonment applications and hearings in northern Ontario continue.

Through all these hearings, the position of the province has been that the federal government was not living up to its responsibilities in northern Ontario. The responsibility for the provision and funding of Via Rail services rests with the federal government and financial constraints are no reason to deny residents of remote communities the continuation of basic and essential transportation services.

In Ontario, we have always followed a philosophy which holds that transportation systems and services should be assessed in human terms rather than in purely economic terms. We regard operations such as norOntair and the Ontario Northland Railway as social and not simply economic ventures. The operation of the Ontario Northland Railway reflects that philosophy. Although it has long since achieved its original development role, the ONR continues to provide exceptional service for residents and industry in northeastern Ontario.

As I noted in the final report of the rail task force: "Unlike the major national railways, the ONR does not exist solely to make a profit. Service to its communities as the 'people's railway' has been a basic tenet as it fulfilled its mandate to meet the transportation requirements of the region." Good rail service is essential to northern Ontario's wellbeing. From their actions, it is apparent that the federal government and the national railways do not recognize this essential need.

The member for Cochrane North has given us the opportunity to demonstrate that we do recognize the need for good transportation systems in the north and are willing to act to meet that need. As he has pointed out, the government of Ontario has always taken its responsibilities for northern transportation very seriously and has discharged them successfully.

Mr. Speaker, I support the resolution and I thank you.

Mr. Cunningham: Mr. Speaker, I am anxious to support this resolution, notwithstanding the fact that I think my friend the member for Cochrane North did not support my resolution last week. I will not hold that against him.

I will support this resolution, as superficial as I believe it to be. I hope, particularly if it is favoured unanimously by the members of the assembly, that the Premier will show some leadership and take action on the problem the member has taken great length to describe to us. But how can we expect a government that cannot run a moose lottery to run something as

complex as an intricate transportation policy in Ontario?

5:30 p.m.

We are in the course of estimates right now and I have not heard the member favour us with his views on deregulation and on the establishment of this commission. However, we have not yet completed them and I hope that before these estimates pass into history he may take the time to favour us with his views on the establishment of this commission which he feels would be a solution to a problem that has not developed overnight but is certainly not as old as 40 years. His government has had every occasion to implement meaningful changes that would help make life a little easier for northern Ontario and for his constituents. Indeed, they have done just the opposite.

My major fear about the establishment of this commission is that it will be yet one more commission in Ontario, which will give us 743, 744 or whatever, and one more place for a defeated Progressive Conservative candidate. I should say that, notwithstanding the affection I have for my colleague opposite, if he chooses to either stand down in the next election or by some remote possibility is defeated, I would gladly support his nomination.

I would hope that members of the assembly would make it unanimous so that we might be graced with his presence here in Toronto occasionally, as commissioners do come to Toronto. Sometimes they spend more time in Toronto than anywhere else. However, I would personally support his nomination to be that commissioner, given the insight he has had into these issues for so long.

I recall a meeting, perhaps seven years ago, when his group came down and met with our caucus. We heard all these horror stories about how the highways were inadequate, how the Ontario Highway Transport Board was not responsive to his problems, etc. The sad thing is that with these seven years of continued Progressive Conservative government I guess they have not improved for him.

What is the problem? Is the problem the minister, who unfortunately is not in his seat today, who has been in my view a hard-working minister for the last eight years? Is the problem the minister? Is the problem the system which has developed over the last 40 years, or disintegrated over the last 40 years, under the leadership of the Progressive Conservative Party of Ontario?

One of the most substantial improvements

that was made in the system came as a result of a Liberal initiative, an initiative taken by the former and late member for Nipissing, Dick Smith, who, with other members, particularly other members of the opposition, urged that the North Bay restriction, restricting the issuance of licences beyond North Bay, be removed.

It was Mr. Smith's work on the select committee on the highway transportation of goods, on which I was pleased to serve, which saw that restrictive proposal removed so that someone could seek to obtain a licence from the Ontario Highway Transport Board to move goods north of North Bay. The more I think of it, it is absolutely incomprehensible that this government would have allowed that restriction of trade to be perpetrated to the extent it had been.

We will be having our vote on the Ontario Highway Transport Board in the next session of our estimates, which will be on Tuesday evening. I would suggest the honourable member bring forward his resolution and his concerns on that occasion and indicate in the presence of the minister and the current chairman of the Ontario Highway Transport Board what specific improvements we could make in the context of a regulated transportation system or, if he still clings to the illusion that complete deregulation is the answer, he can favour us with that as well.

The harsh fact of reality is that one of the major problems is a number of those highways up north are a disgrace. We have heard at length, and ad nauseam, from the member for St. David, who would have us believe the whole problem relates to the federal government. I do not know who she will kick around when Mr. Mulroney is successful, if indeed he is successful. She would have us believe the whole problem relates to rail.

It certainly is a problem and the party in power deserves its fair share of criticism for that continuing difficulty. However, I do not believe we have seen any kind of aggressive presentation from this government to the federal government to lessen the freight rates. We certainly have not seen any forceful representation in southern Ontario with regard to the use of rail systems for commuters.

But our highways, simply put, are a disgrace. They are inadequate and there are a number of improvements that could be made; there are some things that should be done in the context of truck safety that we are not doing. In my view, we are jeopardizing passenger vehicles on the highway and we are not discharging our responsibilities for motoring safety.

We should have rest areas up and down those major areas so that if the operator of a passenger vehicle is tired, he can pull over and there is a place for him to rest. The same thing would apply for people operating trucks. We do not have any meaningful system; we should have a system, based in the major municipalities of northern Ontario and in Toronto, for freight pooling and freight co-ordination, because one cannot change the pattern of movements up there if one does not co-ordinate the movement of goods.

If we were to have massive deregulation, as the member used to suggest back in the glory days when he was the mayor of Kapuskasing, then indeed I think one would have chaos there for a long time and a great deal of economic dislocation when some of those companies failed.

The biggest problem that I see for the people of northern Ontario is a problem that is common to everywhere else, and that is the continuing broadening of the base of the sales tax which people up there have to pay, and they pay through the nose; and the imposition of the ad valorem gas tax, which I believe the member voted for—certainly his party did—which has a pernicious and mean-minded effect, if the minister wants my honest opinion, on the elderly and the poor—those very people the member for St. David spoke about.

They pay those costs and then it is all exacerbated through increased transportation costs to northern Ontario. We support this initiative. I sense it will be favoured with the unanimous consent of the House in the generous spirit that we have in this assembly and I would expect there should be no delay by the Premier in announcing that he has set up a commission and named the commissioner. If he would like to delay for the course of the year so that we can hold the spot open in the event that the member for Cochrane North would like to make an application, then certainly I can justify that to my constituents.

There should be no excuse then. If we obtain unanimous consent here, there should be no excuse whatsoever for the failure of the government to establish a commission and address these problems that I think have been described very adequately by all members of the assembly.

With the Ministry of Northern Affairs, with Governor Leo travelling with reckless abandon with the government chequebook through northern Ontario, and what I think is a reasonably capable individual as Minister of Transporta-

tion and Communications (Mr. Snow), it is incomprehensible that we should even need this commission. If the member feels we do, and that his constituents are continually being subjected to injustices like the ad valorem gas tax and increased sales tax, then I say let us establish this commission, let us see what the results will be before the next election, so that the people of northern Ontario may judge the minister by his conduct.

It is no accident that for the first time in some time his party is in very difficult shape in terms of the polls, from what I can read. Indeed, I believe that unless some meaningful action has taken place, the member in whose name this resolution stands may in fact, as a defeated Tory candidate, qualify to be the chairman of that commission.

Mr. Stokes: Mr. Speaker, one wonders at the timing of this resolution. The member who sponsored it will know that I spent a goodly length of time trying to convince him and his colleagues that we needed some initiative on behalf of the government over there to address the high cost of transportation of goods and people in northern Ontario. It took the better part of a year to convince the Premier that he should set up a task force to study that very issue.

The task force was two years in completing its deliberations and bringing in a report which, as my friend the member for London North reminds us, became a public document in April this year. The document did nothing more than confirm what we already knew. I am sure the member for St. David in her deliberations heard almost everything that was contained in the study I refer to.

5:40 p.m.

We now have another exercise going on, the rail access report, which is the responsibility of top civil servants in those ministries having some responsibility for transportation needs. I believe it is being co-ordinated with the federal government with some participation from Manitoba and Quebec.

One wonders about the timing of a resolution like this when, as the member for St. David pointed out, we have had a continual but very deliberate policy to eliminate rail passenger service, first of all, by the two common carriers, Canadian National Railways and Canadian Pacific, by downgrading the services to such an extent that they were no longer attractive to the travelling public and then making application to

the Railway Transport Committee to discontinue the service on the basis that they did not get sufficient patronage to justify that service.

It is quite a scam, quite a con game, but Canadian National and Canadian Pacific were successful in that, thus the setting up of a new arm's-length emanation of the federal government called Via Rail. I do not know how many members of this assembly have travelled on it and made use of its facilities. It is not too bad on the Canadian Pacific, which is the only daily transcontinental service now in existence.

As the member for St. David points out, that area of the province served by Canadian National, the main line of one of our common carriers, all the way from Capreol through to Winnipeg, to put it charitably, it is a joke. Talk to people who come from small communities like Hillsport, Ferland, Auden, Collins and Allan Water. Most of them rely exclusively and totally on rail service for the access to services that the member who sponsored this resolution speaks of.

The member for St. David said we should not look at the provision of transportation services, particularly in the north, as an economic venture. I was glad to hear her say that. She said, and I totally agree, that it should be a social venture because, whether one is operating a railway, a bus, a ship, an airplane or a transit system in Metropolitan Toronto, one knows that those are, in a very real sense, social ventures.

Other than the odd bus line, I defy anybody in this House to show me a viable transportation undertaking. If we had to rely on the fare box for the operation of all the transportation systems in Metropolitan Toronto, we could not attract anybody on the basis of the user-fee principle at even a break-even level.

We have of necessity had to treat that as an essential service and, whatever it costs to operate it, we collectively in Canada, and in Ontario for the purposes of this debate, must contribute our fair share to the movement of people in urban centres like Metropolitan Toronto.

We who come from the north do not deny that. We know there has to be an efficient and workable transportation network in Metropolitan Toronto to move people. There has to be a good network of roads, rail and water shipment for the efficient movement of goods. But we have never given the kind of attention we should have given to the particular problem of the movement of goods and people in northern Ontario.

The Minister of Transportation and Communications is not here today. The Minister of Northern Affairs (Mr. Bernier) is not here today.

I just got this cold travelling up to Nakina last weekend to look into the Nakina runthrough situation. That is the story of transportation, of transportation policy right throughout Canada. It is symptomatic in the intended closing of the Pagwa subdivision. With the runthrough at Nakina, the elimination of passenger service between Thunder Bay and Sioux Lookout and a curtailment of services to the Rainy River area, the setting up of a commissioner to study transportation costs is in a very real sense a move to try to draw attention after the fact to all the sins of omission and commission by those responsible for developing a transportation network in the north.

After they have eliminated all the services, we want a transportation commissioner. Most of the vital services we in the north have depended on for years have long since gone. I do not know whether this resolution will pass. I do not know whether, even if it does pass, it will have any effect on or mean any appreciable change in the way we treat people generally in the north with regard to the movement of goods and people at a rate people can afford. I do not know whether it will do any good, but I think it is well we have had this discussion and I intend to support it.

SENIOR CITIZENS

The Deputy Speaker: Mr. Gordon has moved resolution 26.

Motion agreed to.

NORTHERN ONTARIO TRANSPORTATION

The Deputy Speaker: Mr. Piché has moved resolution 27.

Motion agreed to.

BUSINESS OF THE HOUSE

Hon. Mr. Wells: Mr. Speaker, I would like to indicate the business for the House for next week. After adjourning tonight the House will not reconvene until two o'clock on Monday afternoon, at which time we will consider the estimates of the Ministry of Northern Affairs.

On Tuesday, November 15, in the afternoon and evening, we will consider legislation in the following order: finishing second reading and committee of the whole on Bill 90, as required; completing committee of the whole on Bills 86 and 87; second reading and committee of the

whole, as required, on Bill 97; and, if time permits, second reading and committee of the whole, as required, on Bill 92.

On Wednesday, November 16, the usual three committees will have permission to sit in the morning.

On Thursday, November 17, in the afternoon, we will have private members' public business,

resolutions or bills in the name of Mr. Conway and Mr. Rae. In the evening of November 17, we will begin second reading of Bill 111 in the name of the Treasurer (Mr. Grossman).

On Friday, November 18, we will have the estimates of the Ministry of Northern Affairs.

The House adjourned at 5:52 p.m.

APPENDIX

ANSWERS TO QUESTIONS IN ORDERS AND NOTICES

EMPLOYMENT OF FAMILY MEMBERS

29. Mr. Mancini: What is government policy regarding the employment of immediate family members of the executive council and parliamentary assistants by ministries, boards and commissions? Which immediate family members are employed by the government and what are their positions, salaries and qualifications? In what manner were their jobs advertised? [Tabled April 22, 1983]

Hon. Mr. McCague: There is no government policy regarding the employment by ministries, boards and commissions of immediate family members of the executive council and parliamentary assistants.

Records indicate that nine immediate family members are employed by the government. The persons in question enjoy the same rights with respect to their employment as any other employees of the government, including the right to a reasonable degree of privacy. As no discernible benefit could be derived by the naming of these individuals, their identities will not be published.

TRIPS BY PREMIER

37. Mr. Bradley: For the trip the Premier took in January 1982 to Detroit, Michigan, to watch the NFL Super Bowl, would the Premier: (1) identify all persons who travelled with him to Detroit; (2) itemize the expenses incurred for plane/jet rental, food and beverages, accommodation, other modes of transportation and miscellaneous expenses; (3) identify the type and seating capacity of the aircraft used and from whom the service was provided; and (4) identify the budgetary source for expenses incurred by this trip? [Tabled April 22, 1983]

38. Mr. Bradley: For the trip the Premier took in July 1982 to Montreal, Quebec, to watch the baseball league's all-star game, would the Premier: (1) identify all persons who travelled with him to Montreal; (2) itemize the expenses incurred for plane/jet rental, food and beverages, accommodation, other modes of transportation and miscellaneous expenses; (3) identify the type and seating capacity of the aircraft used and from whom the service was provided; and (4) identify the budgetary source for expenses incurred by this trip? [Tabled April 22, 1983]

Hon. Mr. Davis: The information in question concerns expenditure transactions and as such may be sought through the regular estimates process.

ROYAL ONTARIO MUSEUM

316. Mr. Allen: What have been the total expenditures and revenues in connection with the recent Royal Ontario Museum special exhibitions? Have they been mounted exclusively with exhibit material in the possession of the ROM? [Tabled October 12, 1983]

Hon. Ms. Fish: The total expenditures for the recent special exhibitions at the Royal Ontario Museum were \$2,028,322 and total direct revenues were \$1,265,210.

The exhibits were mounted primarily with materials provided by the Tower of London and the Greek Ministry of Culture and Sciences, as well as with materials in the possession of the Royal Ontario Museum.

DRIVER'S LICENCES

318. Mr. Boudria: Will the Minister of Transportation and Communications inform the House how many new driver's licences were issued in the province in the last fiscal year? What is the percentage of applicants attempting the driving test who fail on first test and on second test in the province?

How many new driver's licences were issued at the Hawkesbury office in the last fiscal year? What is the percentage of applicants attempting the driving test who fail on first test and on second test at the Hawkesbury office? [Tabled October 17, 1983]

Hon. Mr. Snow: New driver's licences issued in the province between April 1, 1982, and March 31, 1983, totalled 260,303. Percentage of applicants failing their first test was 28.6 per cent; percentage of applicants failing subsequent tests, 34.3 per cent.

New driver's licences issued by the Hawkesbury office between April 1, 1982, and March 31, 1983, totalled 838. Percentage of applicants failing their first test was 25.3 per cent; percentage of applicants failing subsequent tests, 25.9 per cent.

ONTARIO YOUTH
EMPLOYMENT PROGRAM

319. Mr. Boudria: How much money was spent in each municipality in Prescott-Russell in 1983 under the Ontario youth employment program? [Tabled October 17, 1983]

Hon. Mr. Bennett: We do not have figures available for each municipality within the county of Prescott-Russell, but we can provide figures for Prescott and figures for Russell. Since the 1983 program claims have not yet been received we are providing you with the dollars committed and dollars spent to date for each half of the county.

Prescott: committed, \$520,465; spent to date, \$25,805.

Russell: committed, \$167,957.50; spent to date, \$5,713.35.

EXPERIENCE PROGRAM

320. Mr. Boudria: How much money was spent in each municipality in Prescott-Russell in 1983 under the Experience program? [Tabled October 17, 1983]

Hon. Mr. McCaffrey: Employment data for the summer Experience program is collected on a county/region basis only. Data for the 1983 program is currently being compiled and will be available by the end of November.

MINAKI LODGE

322. Mr. Foulds: Would the minister indicate the most up-to-date figure for the total cost of the provincial government's investment in Minaki Lodge? Would the ministry also indicate the cost of upgrading the auxiliary moneys for Minaki Lodge, such as the cost of upgrading Highway 596 to the lodge?

How many full-time, year-round jobs have been created at Minaki Lodge? What are the wage scales for these jobs? How many full-time seasonal jobs have been created at Minaki Lodge? What are the wage scales for these jobs? How many part-time seasonal jobs have been created at Minaki Lodge? What are the wage scales for these jobs? [Tabled October 18, 1983]

Hon. Mr. Baetz: On April 29, 1983, Minaki Lodge was officially opened for business. The total cost of the provincial government's investment in Minaki Lodge is \$30.8 million, which includes acquisition costs of \$1.6 million, capital development costs to the end of the project (March 31, 1984) of \$26.2 million and noncapital investment of \$3 million for maintenance and security until construction recommenced in 1980. This also includes legal and consulting fees, property and school taxes.

In addition to its direct investment in Minaki Lodge, the province, primarily through the Ministry of Northern Affairs and the Ministry of Transportation and Communications, has provided funding for certain ancillary projects. This includes \$13 million for the reconstruction of secondary Highways 596 and 596A from Keewatin to Minaki, \$800,000 to upgrade the airport to a class D licensable facility, and \$150,000 to restore the exterior of the railway station. These improvements are of benefit not just to the lodge but, as well, to residents and cottagers in the surrounding area.

During the construction stage, 270 man-years

of local employment were created with the refurbishing of the lodge, and the highway and airstrip improvements. Peak employment during the first season of operation was 140 seasonal workers and 16 full-time staff, including sales staff. The average wage for seasonal staff is \$5 per hour plus tips. Wages for full-time staff range from \$5.50 per hour (security) to \$20,210 (department heads). There are no part-time seasonal positions. Operationally, all of these positions report to Radisson Hotel Corp., which manages the resort on behalf of Minaki Lodge Resort Ltd.

HAWKER SIDDELEY

323. Mr. Foulds: How many full-time and part-time jobs will exist at the Thunder Bay Hawker Siddeley plant on December 20, 1983? How many office and design jobs have been lost at this location in the last three years? How many office or design jobs will be created in Thunder Bay because of the Urban Transportation Development Corp. takeover January 1, 1984? [Tabled October 18, 1983]

Hon. Mr. Snow: On December 20, 1983, there will be 200 people employed at the Thunder Bay Hawker Siddeley plant.

As of October 18, 1983, there have been 71 office and design jobs lost over the last three years, a reduction of 30 per cent.

There will be few additional management, office or design jobs created directly as a result of the UTDC joint venture with Hawker Siddeley Canada. However, UTDC has as its stated objective to increase the marketplace acceptability of transit products produced at Can-Car. This will include examining and improving where necessary the quality, price and technology content of the products. The employment progress at Thunder Bay will be directly related to that facility's marketplace competitiveness. The Santa Clara contract and projected Toronto Transit Commission orders are first steps. Additional work will depend on additional contracts. UTDC cannot simply "create" jobs in Thunder Bay; only the sale of products appropriate for that facility will yield employment for that area.

SUNDANCE SKI RESORT

324. Mr. Foulds: 1. How many full-time and part-time jobs were lost because the ministry decided to close Sundance Ski Resort at Thunder Bay after acquiring it?

2. What was the total cost of acquisition?

3. What were the ministry's reasons for acquiring Sundance?

4. What were the ministry's reasons for closing it to the public?

5. How much have skiing fees at other ski resorts in Thunder Bay risen over the fees charged last year? [Tabled October 18, 1983]

Hon. Mr. Baetz: 1. There were two full-time employees of Sundance Ski Resort at the time of its purchase by Thunder Bay Ski Jumps Ltd. The former owner, of course, is no longer employed at the facility. The former general manager is now employed by Thunder Bay Ski Jumps Ltd. on a contract basis to run the various components of the site required as part of the provincial training centre.

There were 10 full-time seasonal positions during the 1982-83 year of operation. In addition, there were a number of part-time seasonal jobs at a variety of functions on the site; we were unable to get an exact figure on this.

2. Total cost of acquisition was \$880,000. This includes the assumption of \$340,000 in outstanding loans held by the Northern Ontario Development Corp., which have been assumed by Thunder Bay Ski Jumps Ltd.

3. The Ski Jump, located in Thunder Bay, Ontario, has been developed and operated as an international-calibre ski jump facility since 1972 by Thunder Bay Ski Jumps Ltd. All of the facilities are located on property which was leased from Sundance Northwest Resorts Ltd., which operated an adjacent downhill skiing facility. This lease arrangement with Sundance created a number of problems which hindered operation of the site, particularly during training sessions and competitions.

Thunder Bay Ski Jumps Ltd. had been interested in purchasing the lands on which the ski jump is located for some time, in an effort to consolidate the land base for future operation of the facility both for training and competitions, for possible future development and to ensure the spinoff tourism effects on the area continue. Because of the land configuration, the landing area for the ski jump is also part of the downhill run for the downhill ski resort; therefore, the proposal to purchase the land on which the ski jumps are located also included the land on which the downhill ski facility is located with

the associated support facilities. The total area is 180 acres.

The ministry, after sound analysis of the existing situation, supported the proposal by Thunder Bay Ski Jumps to purchase the Sundance property to ensure full operation of the site as a training and competition facility, and to better allow for the possible future development of the site. The purchase was finalized on July 6, 1983, and was made on the understanding that the ministry and the corporation had no intention of operating the alpine component in competition with local ski resort operators.

4. Certain private sector parties expressed interest in operating the alpine component of the site through a licensing arrangement with Thunder Bay Ski Jumps Ltd. Therefore, performance, operating and financial criteria were identified in a detailed package offered to all parties interested in making a proposal to operate the alpine skiing component. A key criterion was recognition of the importance of the training and competition use of the jump site and the need for both components to operate well together.

Six proposals were received and reviewed by a committee made up of representatives of the board of directors of Thunder Bay Ski Jumps Ltd., the ministry and professional members of the community. None of the proposals adequately met certain critical criteria set out by the committee. As a result, a joint decision was made by Thunder Bay Ski Jumps Ltd. and MTR not to operate the alpine component of the site, alpine training and competition centre for the development of amateur skiing and ski jumping.

The decision to pull one alpine area from operation will assist the four remaining recreational skiing operations. In addition, the publicity brought to Thunder Bay by a training centre and, through competitions ranging from local to world-class level, will strengthen the area's attractiveness to the recreational tourist.

GOVERNMENT TELEPHONE DIRECTORY

325. Mr. Boudria: Would the Minister of Government Services provide the following information:

Mt. McKay		Loch-lomond/ Candy Mt.		Mt. Baldy	
1982-83	1983-84	1982-83	1983-84	1982-83	1983-84
		Lift Prices—mid-week			
\$ 8	\$ 9	\$12	\$13	\$ 8	\$ 9
		Lift Prices—weekend			
12	14	15	16	12	13
Member fees +10%			+7%		+8%
Members sold up			up		same
(mid-October)					

1. What was the total cost of the summer 1983 telephone directory for the government of Ontario, including design, artwork, layout, printing, consulting, production and any other associated costs?

2. What was the cost to produce the preceding telephone directory? [Tabled October 19, 1983]

Hon. Mr. Ashe: 1. The total cost of the summer 1983 telephone directory for the government of Ontario was \$101,300.

2. The cost to produce the preceding telephone directory (spring 1982) was \$118,850.

FIRE SERVICES ADVISER

326. Mr. Van Horne: Will the Solicitor General inform the house when the position of fire services adviser will be reclassified? [Tabled October 19, 1983]

Hon. G. W. Taylor: The bargaining unit positions in the fire services advisory unit (of which there are two levels) are not currently under classification review. However, there is a Civil Service Commission project under way to update the class standards in the fire services adviser class series. A class standard is a description of a distinct level and type of work with the complexity, skill and responsibility exemplified as a class standard and with a specific pay range.

The updating of class standards is, at best, a lengthy process. At various stages it involves the ministry, the Civil Service Commission, the union for the negotiation of salaries, Management Board and cabinet. In addition, at this time, the finalization process has been delayed for all class standards including the fire services adviser class series because of the Inflation Restraint Act.

The fire services adviser class standard review will proceed as quickly as possible. At this time, I am not able to give a specific date as to when it will be completed.

CHIEF FORENSIC PATHOLOGIST

327. Mr. Di Santo: Will the Solicitor General table the annual remuneration of Dr. Hillsdon Smith, chief forensic pathologist for the year 1983, which information is not yet in the public accounts? [Tabled October 19, 1983]

Hon. G. W. Taylor: The ministry has nothing to add to previous responses in this regard.

JOBS IN LOTTERY CORPORATIONS

328. Mr. Foulds: Would the ministry indicate how many full-time, year-round jobs now exist in each of Ontario's lottery corporations? Would the ministry outline the types of wage scales of

these jobs? Would the ministry give the same information regarding part-time jobs? Would the ministry give the same information for contract jobs? Would the ministry indicate its estimate of how many jobs have been created since February 6, 1975, in the private sector because of work done for the various lottery corporations, e.g., acting jobs, public relations, television programming, etc.? Would the ministry indicate the increase or decrease in job creation in the lottery corporations since February 6, 1975? Do Miss Penelope and her niece Vicki, Mr. Hall and his nephew Gordon work full-time for the Ontario Lottery Corp.? If not, why not? [Tabled October 19, 1983]

Hon. Mr. Baetz: There are currently 200 full-time, year-round jobs at the Ontario Lottery Corp. Wage scales are based on comparable civil service scales and classifications from general clerical to executive compensation. There are four part-time, year-round jobs, and there are no contract jobs.

There is no research to assess accurately how many private sector jobs have been created as a result of the corporation's operations. We would like to report that there are 46 ticket distributors. These independent businessmen and businesswomen employ on average three persons. As well, there are 19,000 retailers, some of which rely entirely on the sale of lottery tickets for income. Suppliers benefiting from the corporation's activities include firms involved in ticket printing, advertising, security, telecommunications, television production and computers. Merchandise prizes purchased by the Ontario Lottery Corp. in the province have also allowed local manufacturers of small and large appliances, automobiles, boats and a variety of other products to benefit by providing significant man-hours of employment.

Lottery profits of \$860 million generated since 1975 have also contributed to the province's economy. Distributed through a variety of ministries, grants from Wintario, Lottario and Super Loto have funded a variety of capital programs in the sports, culture and health fields. The Wintario capital program alone is credited with the creation of more than 16,000 jobs in the construction industry.

During the corporation's first year of operation, 35 staff members were responsible for operating one game every two weeks. In October 1983, 200 staff are responsible for operating four weekly games and one monthly game.

Miss Penelope, her niece Vicki, Mr. Hall and his nephew Gordon are not employed by the corporation. The corporation has no need to employ full-time TV actors and actresses.

SOCIAL SERVICES MAINTENANCE TAX

329. Mr. Foulds: How much revenue has been received as of October 1, 1983, as a result of the imposition of the social services maintenance tax? How much of this has been used to ensure "decent public programs and job-creation initiatives," as indicated in the Treasurer's budget statement May 10, 1983? Would the ministry detail each of the programs that have been created? How many full-time or part-time jobs have been created as a result of the imposition of the social services maintenance tax? [Tabled October 21, 1983]

Hon. Mr. Grossman: On July 1, 1983, the social services maintenance tax became effective.

Revenue from the social services maintenance tax is forecast at \$170 million for 1983-84. As of October 1, 1983, about \$24 million has been received by the province, based on federal collections and payments. In 1983-84, Ontario will provide additional funds of \$224 million in respect of social services and \$824 million in respect of health services.

The budget also provides \$242 million to create 76,000 short-term jobs.

One hundred and seventy million dollars, the amount to be collected from the social services maintenance tax, funds 53,000 short-term jobs.

McMICHAEL CANADIAN COLLECTION

332. Ms. Bryden: Will the Minister of Citizenship and Culture provide the following information on the event mentioned in Zena Cherry's column in the *Globe and Mail* for August 25, 1983, which she described as "the first private event arranged by the McMichael Canadian Collection for outside guests since the gallery reopened"?

1. Who hosted the event?

2. What is the involvement of the Ontario government or the McMichael Canadian Collection Corp. in this kind of event? Is there any cost to either body for food services, security services, tour services and other service? Or conversely, is there a profit accruing to either body?

3. Who determines the guest list?

4. Under what terms are the facilities made available for private parties including tours of the gallery? [Tabled October 26, 1983]

Hon. Ms. Fish: 1. Case Associates hosted the event.

2. There is no cost to the Ontario government or the McMichael Canadian Collection Corp. in

this kind of event. Regular group rate admissions are charged and tour fees collected. Food services, security and other staffing costs are billed to the client with an appropriate markup.

3. The host determines the guest list.

4. The facilities are made available on a first-come first-booked basis upon agreement to pay the charges to recover all costs and generate a profit for the support of the corporation's operations. All such events must include a gallery activity; for example, a tour.

CONTRACTED SPEECHWRITING

333. Mr. T. P. Reid: Would each minister provide the names and companies of all contracted speechwriting for the fiscal year 1982-83 and fiscal year 1983 to October 1, 1983? Would the minister provide: (1) the names of the individuals so hired; (2) the names of the companies; (3) the amount paid; and (4) the number of speeches for each minister? [Tabled October 26, 1983]

Hon. Mr. McCague: As every ministry is responsible for its own expenditure transactions, the honourable member is encouraged to seek the information in question through the regular estimates process.

ONTARIO TECHNOLOGY CENTRES

337. Mr. Foulds: How many direct and indirect full-time or part-time jobs have been created at each of the Ontario Technology Centres as of October 15, 1983? How much direct Ontario government funding has gone into each of these centres? [Tabled October 28, 1983]

Hon. F. S. Miller: As of October 15, 1983, the Ministry of Industry and Trade has transferred \$5,962,400 to the Ontario Technology Centres for the 1983-84 fiscal year. As of that date, 118 full-time jobs have been created at the Ontario Technology Centres. One part-time position has also been created.

PRINTING OF MINISTERS' STATEMENTS

338. Mr. Foulds: Would the ministry name each of the ministers who have had printed, published and have bound copies of their "opening statements" for the 1983-84 estimates debates, or plan to do so before December 31, 1983? Would the ministry outline the number of copies printed in each case? How many direct or indirect full-time or part-time jobs have been created in each case by this activity? How much has the printing cost in each case? What was the distribution list in each case? [Tabled October 28, 1983]

Hon. Mr. McCague: As every ministry is responsible for its own expenditure transactions, the honourable member is encouraged to seek the information in question through the regular estimates process.

INTERIM ANSWER

330. Mr. Philip: Hon. Mr. Pope—An extension is requested for the reply to question 330, order paper 54. The information will be available on or about November 18, 1983.

RESPONSES TO PETITIONS

INFLATION RESTRAINT LEGISLATION

Sessional paper 156.

To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act.

Hon. Mr. Grossman: The government proposes to introduce legislation to continue a program of restraint on public sector wages and salaries because it is a necessary element of the fight to keep inflation rates down.

The government's restraint program will provide leadership to the private sector and help ensure that the progress we have achieved against inflation is not reversed.

It is the government's intent that the legislation provide for flexibility to restore the greatest degree of collective bargaining possible within the restraint framework. Consultations are under way to determine how best to achieve these objectives.

MOOSE HARVEST

Sessional paper 175.

Hon. Mr. Pope: Background: The moose selective harvest program is extremely important for it is part of a larger effort to rebuild Ontario's moose population. As such, it is especially significant in northern Ontario where

moose hunting is the basis of a \$90-million-a-year industry.

In 1975, aerial surveys showed that the moose population had declined from 125,000 in 1968 to 80,000, a decrease of 35 per cent in less than 10 years. This decline has reduced the number of hunting and viewing opportunities, as well as the economic benefits that our moose resource provides.

The most effective way to build a healthy population is to harvest those moose in the herd with the lowest reproductive potential and protect the prime breeding animals, especially cows. The selective harvest method focuses hunting pressure on bulls and young-of-the-year animals. Since many young moose do not survive their first year—due to winter, predation or disease—their loss through hunting has a minimum effect on the population as a whole.

Public consultation: This program was developed in consultation with the public. Natural Resources staff discussed a variety of ways to halt the decline in Ontario's moose population with the Ontario Federation of Anglers and Hunters, Northern Ontario Tourist Outfitters Association, with independent outfitters, with conservation clubs, with naturalists and with individual hunters. All felt that selective harvest was the best method; one that protects the prime breeding stock while guaranteeing all Ontario residents a fair chance to secure one of a limited number of bull or cow validation tags. Random selections are made by a computer. Consequently, it does not matter who you are, where you live or what you do.

Fairness of program: The program allows every resident of Ontario to hunt moose every year, and in their area of choice, but they would be restricted to the kind of moose they can kill.

Hunters may purchase a licence and hunt for a calf moose in any area where there is an open season without being in the draw. The licence system allows a person to hunt alone.

Reply to petition for season closure:

1. In the development of a moose management plan for Ontario, 72 public meetings were held in November and December of 1979. The meetings were attended by some 7,350 people, 10.5 per cent of the estimated 70,000 residents who hunted moose the previous year.

2. All recreational and economic benefits would be lost during the period of season closure.

3. The herds would increase, but after two years, when the season was reopened, the herds would once again begin to decline for princi-

pally the same reason they declined initially, i.e., overharvesting.

4. Tourism in northern Ontario would be adversely affected by season closures.

ANSWERS TO QUESTIONS TAKEN AS NOTICE HYDRO REACTORS

Mr. Sargent: In taking over this job, will the new minister undertake to provide reports on significant events to all members of the Legislature so that we will know what is going on?

Hon. Mr. Andrewes: Significant event reports are used by Ontario Hydro to record all occurrences which are unexpected, unusual or unplanned. There is a wide range in their "significance."

Hydro uses the significant event report system to keep track of reactor performance in minute detail. Analysis of these reports allows Hydro staff to learn from each occurrence, no matter how minor, and to improve equipment and operating procedures.

With 11 reactors in service in the system, 500 to 600 reports are prepared on events which occur each year. Lessons learned from these reports are fed back to the Candu designers and to other nuclear stations. Hydro's reporting and follow-up system was favourably reviewed by the Porter commission and the select committee.

Since 1979, Ontario Hydro has regularly provided copies of all significant event reports to the Atomic Energy Control Board, the legislative library at Queen's Park and to the public reference centre at Ontario Hydro head office. Copies of all reports prepared prior to 1979 were also put on display.

Members of the Legislature are welcome to view any of the documents displayed at either of the locations mentioned. If any member of the Legislature is not able to satisfy his or her requirements by reading a document at one or other of these locations, the legislative library or Ontario Hydro will make a personal copy available to him or her.

Mr. Peterson: Will the minister study the potential radiation exposure that workers will be subjected to if they are involved in a retubing, and will he tell this House if it is possible at the present time to meet the dose target of 500 rems using presently available techniques, and how many workers it is going to require in order to retube these reactors over a period of time?

Hon. Mr. Andrewes: The Leader of the

Opposition referred to Ontario Hydro report number 77073 entitled Retubing of Candu Reactors. This was a preliminary assessment done in 1977 of retubing times, exposures and costs.

Since that time, work has been done by Ontario Hydro and its contractors under the large scale fuel channel replacement program to improve performance in all these areas.

Ontario Hydro's current estimate of the time to retube a reactor at Pickering is approximately 15 months using tools and remote handling facilities which are at present past the concept and development stage but have not been tested for application at a station like Pickering. It is estimated that it will require about two years to manufacture and test this equipment, and to train staff and rehearse the tube removal and replacement procedures prior to starting retubing of a reactor.

Using the tooling and remote handling facilities mentioned above, it is estimated that the exposure to the work force in retubing a reactor will be between 1,000 and 2,000 rem. The exposure to each worker is strictly regulated and limited to a maximum of five rem per year. On this basis it would require between 200 to 400 workers to retube a reactor over the 15-month period.

The radiation dose to workers will come mainly from background radiation emanating from the heat transport system outside the reactor core. This radiation is due to contamination by radioactive corrosion products deposited on the inside of the heat transport piping and equipment during operation.

The general level of background radiation will vary between reactors and will be dependent on the degree to which the contamination can be reduced by prior chemical washing treatments before work begins inside the reactor vault. This is an area where there appears to be scope for reducing the exposure to the work force. There will be others.

All practicable efforts will be made to reduce worker exposure.

Mr. Peterson: I would like to know how soon the Minister of Energy plans to examine the other reactors at Bruce and Pickering, how long it will take to examine each reactor, how long they will be out of service and how much this is going to cost.

Also, in view of the fact that we understand the tooling has yet to be developed in order to move these garter springs, how is he going to get them into place?

Hon. Mr. Andrewes: Ontario Hydro has the following activities under way and planned with respect to garter springs.

Pickering unit 2: Ontario Hydro has removed the fuel from 15 channels for inspection of these channels for garter spring location and any possible defects or abnormalities.

It is now felt that Pickering unit 2 pressure tube failure is not related to a garter spring out of place. However, it is still possible that a broken garter spring would have contributed to the cause of the pressure tube failure. This is being investigated.

Pickering unit 1: Unit 1 will be shut down in mid-November to inspect and remove four pressure tubes. The reactor will be down for four to five weeks while the tubes are removed and investigated.

Pickering units 3, 4, 5 and 6: All these operating units have zirconium-niobium pressure tubes which have different corrosion and deuterium uptake characteristics from the Zircaloy 2 tubes in units 1 and 2. It is not known at this time if there are garter springs out of place in these reactors.

However, because of the low deuterium uptake characteristics of the zirconium-niobium alloy, it will be many years, if at all, before the level of deuterium in the pressure tubes in these reactors increases to the point where there would be concern about blistering or tube failure. The question of the location of the garter springs in these reactors is not regarded as one of urgency or immediate concern.

These reactors will be monitored for effects of displaced garter springs and for possible pressure tube/calandria tube contact. This will be done at regular maintenance shutdowns or possibly during operation. In the spring of 1984, it is planned to remove one of these pressure tubes from the reactor with the greatest operating hours for detailed metallurgical investigation.

Pickering units 7 and 8: These units are still under design and construction. The location of all garter springs will be determined, any garter springs that may be out of place will be moved to

the desired location before startup of the units.

Bruce units 1 to 4, inclusive: All these operating units have zirconium-niobium pressure tubes and are known to have very low deuterium uptake from investigation of tubes removed from Bruce A in 1982 and 1983. It is not known at this time if there are garter springs out of location in these units. However, because of the low deuterium uptake characteristics of the zirconium-niobium alloy, it will be many years, if at all, before the level of deuterium in the pressure tubes in these reactors increases to the point where there would be concern about blistering or tube failure. The question of the location of the garter springs in these reactors is not regarded as one of urgency or immediate concern.

In the future, these units will be monitored for effects of displaced garter springs and possible pressure tube/calandria tube contact during regular maintenance shutdowns, or possibly during operation.

Bruce units 5, 7 and 8: These units are still under design and construction. The location of all garter springs will be determined, and those that are out of place will be moved to the desired location before startup of the unit.

Bruce unit 6: Construction of this unit is essentially complete and it is being prepared for startup. Ontario Hydro has undertaken, in consultation with the Atomic Energy Control Board, to delay the startup process and to determine the location of all the garter springs and relocate those that are displaced. This decision was announced by Ontario Hydro on November 1.

Costs and tooling: The majority of the work will be carried out during scheduled periods of maintenance on operating reactors and during the construction periods on other reactors at Pickering B and Bruce B. The costs of this work will be for materials and labour and is expected to be relatively small.

Ontario Hydro has under development a method of moving garter springs using a device which can be inserted into pressure tubes. The method has been successfully demonstrated by a prototype device.

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Hansard

Official Report of Debates

Legislative Assembly of Ontario

Third Session, 32nd Parliament
Monday, November 14, 1983

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

Monday, November 14, 1983

The House met at 2 p.m.

Prayers.

DEATH OF WALTER BAKER

Mr. Mitchell: Mr. Speaker, it is with a real sense of regret and deep sadness that I rise in my place today to inform this House of the passing of the Honourable Walter Baker. Perhaps more than any other member in this House my knowledge of Walter Baker goes back beyond the field of politics, beyond the time when Walter put on the mantle of politics to serve his community and his country in another way. Walter was a distinguished Canadian who was not only the ultimate worker on behalf of his constituents but also a worker for all the people of Canada.

My friendship with him goes back many years from the time Walter served as solicitor for the then township of Nepean to the time he was a Scout father of the Scout troupe with which I was happy to be affiliated. In those days, and Walter never changed, he always had time for young people. I remember one incident when the Honourable Walter Baker put on a very special show for young people wearing his lawyer's wig and robes and showing them how the judicial system worked. Walter always had time for people in the community, whether directly in his own community or all those around the Ottawa-Carleton area.

Not many members can stand and say they had the best working relationship with their federal member, but in our case, Walter and I worked extremely closely. Walter filled in for me at times when I could not be back in the riding and, similarly, I was the first one he would ask to fill in for him when he was unable, which was not very often.

Walter was a great constituency man and a great Canadian. More than that, he was a great family man and father. I know I shall not enjoy the friendship of a federal member of Walter Baker's making in the many years to come. I hope this House will extend with me to Walter's family, his wife Lois and three children their deepest sympathies on this loss, not only to the people of Nepean-Carleton but to Canada.

Mr. Conway: Mr. Speaker, my colleagues in

the Liberal Party and I certainly would want to associate ourselves absolutely with the remarks made by the member for Carleton (Mr. Mitchell). Over the past number of years I had the opportunity to chat with the late Walter Baker who was an incomparable politician. There was none better. I know members on both sides of the House had an opportunity to work with Walter Baker on a number of occasions. He was truly a remarkable politician. I used to think Murray Gaunt was a good constituency politician, but Walter Baker was second to none in the way he served the people of his riding of Nepean-Carleton for the past 11 years.

More than just a constituency politician, Walter Baker was an outstanding member of Parliament. He was a parliamentarian of an earlier period, a man who respected Parliament in every way and in every action. Certainly, we have seen today the passing of one of the great parliamentarians of the modern period.

He was a remarkable politician, a true and warm friend, who will be missed in the ways the member for Carleton has indicated. On behalf of the Liberal Party of Ontario, I want to join the member for Carleton and all members of this assembly in expressing our condolences to his wife and family.

Mr. Rae: Mr. Speaker, it is with a real sense of personal loss that I join in this discussion. Walter Baker was a friend of mine. He befriended me when I first entered Parliament. He was an extraordinary individual. He loved people; he loved politics; he was a great politician. Walter loved to laugh at himself and at the folly of human behaviour. He enjoyed himself in an extraordinary way as the representative of his constituents whom he served incredibly well.

I can remember driving with Walter through his riding. We were going to the studio of one of the television networks in Ottawa which happened to be in Walter's riding. We were talking about unemployment on the way back from an interview we had done together. I said to him, "Walter, what do you do with the growing number of people we are all facing coming into our offices looking for a job?" Walter said: "It is very simple. I try to find them a job. I call up every person I know. I call up every small

businessman I know. I call up every garage owner I know. I do what I can." He said it with a sense of honesty and verve, and added, "Sometimes you get them and sometimes you do not." That was the kind of person he was.

There are politicians who are respected and liked by members of their own party. There are politicians who are not often liked by members of any party. There are politicians who are liked, loved and respected by members of all parties. Walter Baker was very definitely one of the latter. He served for a time in government and enjoyed it. He loved Parliament and was a great member of the opposition. He believed strongly in things like freedom of information and the freedom of the individual. He believed intensely in the protections people need at common law and from big government and bigness of any kind.

He was a big man in many ways. I shall miss him as a friend. I know my colleagues who knew him will feel the same way. All of us have lost something in Walter Baker's passing. Lois has lost a great husband. The family has lost a great father. He struggled hard in the last few months. We are all sadder for the loss of Walter Baker.

LEGISLATIVE PAGES

Mr. Speaker: Just before proceeding, I would ask all honourable members to join with me in welcoming a new group of pages whose session starts today. They are:

Andrea Addario, Welland-Thorold; Tracey Ball, Scarborough West; Nicholas Blenkinsop, Sudbury; Gordon Bonner, Peterborough; Fraser Borden, Parry Sound; Elizabeth Brazolot, Wellington South; Jody Campbell, Essex South; Jason Christoff, Stormont-Dundas-Glengarry; Jean-Paul Désilets, Cochrane North; Thomas Dillon, Northumberland; Douglas Downey, Dufferin-Simcoe; Jennifer Gerstel, Windsor-Sandwich; Kathryn Johnson, York West; Rachel Kane, Waterloo North; Andrea Mackesy, Muskoka; Derek Nunn, Oxford; Christopher Perkins, Algoma-Manitoulin; Tommy Porinchu, Hamilton Mountain; Geoffrey Ready, Mississauga North; Sarah Rice, Burlington South; Whitney Sedgwick, Lincoln; and Ramine Shaw, Lakeshore.

2:10 p.m.

VISITORS

Mr. Speaker: I would further ask all members to join with me in recognizing and welcoming in the Speaker's gallery the following federal parliamentary interns who are guests of our provincial parliamentary interns: Autumn Watson,

Carleen Carroll, Maureen Dobbin, Joseph Garcea, Barbara Holman, Kurtis Kitagawa, Geneviève Ledoux, Michel Madore, Timothy Stutt and Freya Kristjanson.

STATEMENT BY THE MINISTRY

WATER STORAGE TANKS

Hon. Mr. Brandt: Mr. Speaker, I wish to bring the honourable members up to date on the situation regarding municipal water tanks throughout the province and to announce further measures the government is taking to assist municipalities in the repair or replacement of faulty concrete elevated water storage tanks.

Concrete elevated water storage tanks are an important component of many water supply systems, principally in small communities. These tanks are used to ensure dependable supplies of drinking water and water for fire protection. There were 53 such tanks constructed throughout Ontario.

While still at an early stage in their anticipated service lifespan of 30 to 40 years, many of these concrete tanks are exhibiting symptoms of structural distress and deterioration. This problem has been aggravated by the Canadian climate. Two structural failures of municipal tanks have already occurred. Tanks owned by the towns of Dunnville and Southampton collapsed in 1976 and 1980 respectively. Fortunately, there was no loss of life or any injury associated with those problems.

In 1981, my ministry commissioned a study of concrete water tanks, which involved an assessment of all ministry-constructed tanks in the province, 31 of the total, and a review of the municipally constructed tanks, another 20. Of the 31 ministry-constructed tanks, about 20 had problems. In April 1982, based on the findings of the study, my ministry recommended subsidies for the repair of provincially built tanks. Cabinet approved the request for funds in June 1982.

Since that time, as many of the honourable members are aware, my ministry has been engaged in a comprehensive engineering and repair program involving those provincially constructed tanks identified as requiring further work. The program involves some \$5.1 million extending over three and one half years.

In the fiscal year 1982-83, tanks at Glencoe, Chelmsford, Fenelon Falls and Barry's Bay were repaired. For fiscal year 1983-84, work has begun or been projected for tanks at Woodville, Baden, Alvinston, Brigden and Camlachie. In addition, design work is well under way for repairs at Pittsburg and Brechin.

This, as the members can see, is an extensive and complex program reaching into many parts of the province. In some cases, where a tank has been taken out of service to carry out repairs, my ministry has had to set up a temporary reservoir or make other provision to ensure continued supply of drinking water and water for fire protection.

Based on my ministry's experience of the program for repairing provincially built tanks, we had our consulting engineer and staff carry out inspections of the 20 municipally built concrete tanks to estimate the repair work required. My ministry has also been providing technical assistance and advice to the operators of municipally constructed tanks.

I now wish to announce a significant extension of our program involving the allocation of a further sum of \$3 million over three years for those municipally constructed concrete tanks identified as needing repair or replacement. The province will pay 75 per cent of the cost of repair or replacement. If, in any instance, the municipal portion will impose an undue financial burden on the municipality, my ministry will consider enriching the grant to 90 per cent, an additional 15 per cent, of the total cost of the work. My ministry's assistance program will also apply to repair costs that have already been incurred by the municipalities.

We are offering financial assistance to 19 municipalities to repair the 20 tanks they own: Cambridge, for its tanks serving Hespeler and Preston, as well as to Campbellford, Chesley, Colborne, Dundalk, the town of Durham, Gravenhurst, Iroquois Falls (Porquis Junction), Madoc, Mount Forest, Orillia, Paisley, Petrolia, Prescott, Southampton, Waterdown, Watford, West Lorne and Wingham.

Basically, repairs and new construction will entail a modified design to employ a combination of steel and concrete for the footings and bases of the tanks. Existing tanks were constructed of concrete, and deterioration of their bases and footings has occurred in many cases.

I shall be writing to the municipalities concerned to inform them of this assistance program, and my staff will contact them directly to review each specific case and to discuss the arrangements and conditions involved.

ORAL QUESTIONS

CONTRACT TENDERS

Mr. Conway: Mr. Speaker, my first question was for the Attorney General (Mr. McMurtry)

who, I understand, is in the precincts. If he could perhaps be here, I will go on with my second question.

I want to welcome back the member for Prince Edward-Lennox (Mr. J. A. Taylor) from his onerous trade mission to the Persian Gulf. Perhaps we will hear a report at a later time.

My question is to the Chairman of Management Board. It concerns the matter of the contracts issued to Matrix Communications and to Donald R. Martyn and Associates, contracts about which we have had some discussions in this chamber over the past number of weeks.

I have before me the minister's response during the estimates debate on November 4 to questions put by, among others, my colleague the member for Rainy River (Mr. T. P. Reid). I do not see anywhere in the public record the minister's commitment or the indication that he has yet tabled the contracts involved that were issued to the Matrix Communications group in the amount of some \$206,000 over a four-year period for speechwriting, most of which is associated with the member for London South (Mr. Walker), or the \$207,000 issued over a shorter period of time to Donald R. Martyn and Associates.

Can the minister in charge of the Management Board, who is responsible for the application of the Manual of Administration, indicate to this House today when he plans to table in this chamber all the contracts involved in this matter so we might all, in this Legislature and beyond, look carefully at the specifics of those contracts to see whether both the spirit and the letter of the Manual of Administration were adhered to?

Hon. Mr. McCague: Mr. Speaker, if the honourable member were to read on, I think it is clear that I do not intend to seek those contracts from the Ministry of Industry and Trade. I made it quite clear that it is up to the ministries to follow the Manual of Administration. As I understand from a press article in the paper, the Provincial Auditor is looking at those very contracts. I suggest that is his function and not the function of Management Board.

Mr. Conway: Does the minister in charge of Management Board not understand that the iron heel of the Tory majority stamped out an endeavour by the standing committee on public accounts to authorize the auditor to do that very thing? Is he aware his six Tory spearcarriers in the public accounts committee moved to strike down the motion of the member for Wentworth

North (Mr. Cunningham) to allow the auditor to investigate?

Furthermore, why would the minister in charge of Management Board, as part of a government committed to a public restraint program, not table those contracts so that 8.5 million Ontarians could clearly understand if the spirit and the letter of the Manual of Administration were adhered to in this very important case, where something in the neighbourhood of \$410,000 worth of contracts was apparently issued on an untendered basis to good and close friends of a minister of this government?

2:20 p.m.

Hon. Mr. McCague: Mr. Speaker, I do not have the contracts to which the member refers. I have not seen them. It is not my function. I presume the Provincial Auditor is looking at those—at least I learned through the press that he was prepared to look at those. We have a Manual of Administration and we expect the ministers, the deputy ministers and the ministers to abide by it.

Mr. Rae: Mr. Speaker, the standing committee on public accounts was dealing with this question on motions put by the member for Algoma (Mr. Wildman) and the member for Wentworth North (Mr. Cunningham). We were told by the Tory spokesman on the committee that the government believed it was inappropriate for the public accounts committee to look at the matter because the minister was looking at it. Now the minister tells us he is not looking at it but that somebody else is supposed to look at it.

The minister made certain statements in this House on October 21, when the question was specifically referred to by the member for Port Arthur (Mr. Foulds). Given these statements, why does he not see it as his specific responsibility at least to look at the contracts and see whether the government is following the regulations set down by his ministry concerning the tendering of contracts? Does he not think it is his responsibility to uphold government policy in the tendering of contracts?

Hon. Mr. McCague: Mr. Speaker, I think I have answered this question already. We have a Manual of Administration. We expect the ministers, the deputy ministers and the ministries will abide by it. As members know, noncompliance with matters of this nature is something the Provincial Auditor addresses himself to on a year-by-year basis.

Mr. Conway: If the minister in charge of the Management Board, who has responsibility for the Manual of Administration, does not see it as his responsibility to ensure this is carried out, what are the taxpayers paying him \$70,000 a year to do? Is it not to enforce the Manual of Administration?

Is it possible the minister has not been able to cast his eye upon those \$400,000 worth of contracts issued to good friends of the member for London South and the Tory party because those contracts do not exist? It was a good Tory handshake deal among friends to allow for the expenditure of \$400,000 and not a jot or tittle more.

Hon. Mr. McCague: I have not seen any contracts. I have no idea whether or not they exist.

Mr. Rae: You said on October 21 you would look into it.

Hon. Mr. McCague: I said I would look at the things it was my business to look at. I looked at what came to us.

Mr. Rae: You said on October 21 you would look into it. Why have you changed your mind?

Hon. Mr. McCague: I told the House—
Interjections.

Mr. Speaker: Order. Never mind the interjections, please.

Hon. Mr. McCague: Thank you, Mr. Speaker.

LAWYERS' CONDUCT

Mr. Conway: I have a question for the Attorney General, the man whom the Eglinton-Lawrence Tories refer to as Red Roy.

Has the Attorney General had the opportunity to read the conclusions contained in the special examination conducted by James A. Morrison, FCA, into the famous trust companies affair? Has he read Mr. Morrison's conclusions with respect to the performance of a number of well-known lawyers in this province? Some of them have been implicated in previous trust company scams and at least one is an honorary bencher of the Law Society of Upper Canada.

Has the Attorney General made himself aware of the alarming conclusions Mr. Morrison raised about the professional conduct of some of his fellow lawyers in this great trust companies business? If he has read the report in this connection, what does he, as an honorary bencher of this law society, intend to do about

restoring public confidence in the legal profession? In some serious ways it has been undermined by the devastating conclusions of the Morrison special examination.

Hon. Mr. McMurtry: Mr. Speaker, as the honourable member knows, there is an ongoing criminal investigation with respect to many of the matters raised by the Morrison report in general. So far as the conduct or purported conduct of any of the lawyers referred to by Mr. Morrison are concerned—and I have read the report; it has been some time since I have read it and I could not tell the member today which lawyers are or are not mentioned—clearly the Law Society of Upper Canada, as the governing body of the profession, is aware of the report. If it feels any disciplinary action is appropriate, the law society will take such disciplinary action.

I certainly do not intend to suggest anything at this point, particularly in view of the ongoing criminal investigation. If my recollection serves me correctly, and I could be mistaken, the member raised this issue himself with the treasurer of the law society when she was before one of the standing committees and drew this matter to her attention. My recollection is that she did say to the member that the law society was very much aware of the report. He was there, I was not; he will have a better memory than I.

Mr. Conway: In fact I was there; it was a remarkable encounter from my point of view, a country boy from the Ottawa Valley meeting the convocation of the Law Society of Upper Canada, that sanctum sanctorum of the minister's illustrious profession. I want to ask the Attorney General whether he feels the ethics of the law society have been breached in this respect.

As he knows, the ethics of his professional society establish an obligation on all lawyers in this province. To quote rule 1, "A lawyer must discharge his duties to his client, the court, members of the public and his fellow members of the profession, with integrity." A second rule, which I will refer to briefly, rule 4(11), indicates: "Disclosure of information necessary to prevent a crime will be justified if the lawyer has reasonable grounds for believing that a crime is likely to be committed."

Since the Morrison special examination raises very serious questions about the involvement of senior lawyers in this connection—and because of the time problem here, I am not able to refer him to the specific conclusions of Morrison—does he not feel that the professional ethics of his profession have been abridged by the con-

duct of the lawyers spoken of in the Morrison special examination?

Furthermore, as an honorary bencher of the law society, does he not feel he has an obligation with respect to the public trust to involve himself directly, since the law society, in my conversation with them six weeks ago, has no plans in that connection? Does he not think he has obligation to take a leadership role to protect the public interest from these very questionable practices of some very questionable practitioners?

Hon. Mr. McMurtry: I just want to make it clear that the investigations of the Morrison report are very important, and obviously there were some unflattering comments made by Mr. Morrison in relation to some of the lawyers who were involved in these transactions. The matter has been drawn to the attention of the law society, and I am quite satisfied that they are quite capable of dealing with it, as it is their responsibility.

Mr. Renwick: Mr. Speaker, can the Attorney General advise us whether he has received any report at all about the criminal investigations into matters related to the trust companies? If he has not, does he expect to receive at least an interim report in the near future about the progress of those criminal investigations?

Hon. Mr. McMurtry: Mr. Speaker, I have received a report of a verbal nature and I have been assured that the police in charge of this investigation, the Ontario Provincial Police, together with whatever legal advice is required, have allocated very significant resources to the investigation. It is ongoing, as I have already mentioned, but I have not been given any date as to when they expect the investigation to be completed. I do know that there are a large number of transactions, quite apart from those that have received most of the publicity, that are being reviewed and investigated, and it could still be some little time before the investigation is concluded.

2:30 p.m.

Mr. Conway: After about 14 months, tens of thousands of man-hours, after God knows how much in professional, legal and accounting services, are we to conclude that the Attorney General is not yet prepared to lay charges against Leonard Rosenberg et al?

Hon. Mr. McMurtry: Once again, we will simply await the results of the police investigation.

RADIO READING SERVICE

Mr. Rae: Mr. Speaker, in the absence of the Minister of Citizenship and Culture (Ms. Fish), I would like to address a question of the Deputy Premier on a basic matter of policy. The minister will be aware that the Radio Reading Service, which provides an important service for literally hundreds of blind people in southern Ontario, has been cut off by the minister, has had to lay off two people and stopped broadcasting on November 4. The minister is quoted in the newspapers as saying it was cut off for two reasons: the cutbacks have made it impossible for her to do it, and she doubted whether it was her ministry's responsibility to finance the project.

Given that the Ministry of Citizenship and Culture Act of 1982 states it is a function of the ministry "to foster the development of individual and community excellence, enabling Ontarians to better define the richness of their diversity and the shared vision of their community," how can the minister's colleague possibly say it is not that ministry's function to fund this group? Given the importance of this service to blind people in this province, will the Deputy Premier make a commitment today that this service will be restored?

Hon. Mr. Welch: Mr. Speaker, I have seen a press clipping dealing with this matter. In fact, I am quite familiar with it, because it was started some years ago within the Ministry of Culture and Recreation as part of the expanded library service. The Minister of Citizenship and Culture no doubt has had an opportunity to review this matter and would welcome a further opportunity in the House to explain the reasons why the organization is in the position it is in now. Perhaps it would be best if she had the opportunity to reply to that question when she returns to the House.

Mr. Rae: That is not good enough. There is a basic question of policy here. We had the Minister of Community and Social Services (Mr. Drea) getting up just one week ago and saying proudly that the government of Ontario had not cut back any services to people in need. It took only four days for the Minister of Citizenship and Culture to make a liar out of her colleague the Minister of Community and Social Services.

Mr. Speaker: Order, please.

Mr. Rae: I would simply like to put a question—

Mr. Speaker: Order, please. I ask the member

for York South to withdraw the use of that word, please.

Mr. Martel: Which remark?

Mr. Laughren: It only took three days.

Mr. Martel: On a point of order—

Mr. Speaker: No. We are not going to argue about it. I have asked the member—

Mr. Martel: Yes, we are. He did not accuse the minister of lying. I ask you to look back into the record. The leader of this party simply said a statement by one minister made a liar of another minister. That is not accusing anyone of lying.

Mr. Speaker: I did not say it did.

Interjection.

Mr. Speaker: No, I am not.

Mr. Martel: It certainly is.

Mr. Speaker: How would you know?

Mr. Martel: Because I know you.

Mr. Speaker: Order. I just find the use of that word unacceptable, and I am sure the member for York South does too.

Mr. Martel: Is that not what I said?

Mr. Speaker: No, it is not.

Mr. Rae: I am interested in the substance of the question. Anything that needs to be withdrawn will be withdrawn, but the substance of the question remains the same. The fact is that the Minister of Citizenship and Culture has been responsible for the cutback of a very important service. The question I wanted to put very directly to the Deputy Premier is whether he is prepared on behalf of the government to ensure that this service, which has been operating for six years, will be allowed to continue and whether he will stop the process whereby every year this group of individuals has to come cap in hand to the government and ask for a year-to-year grant when it is providing a service that is important to people and is not being provided by anybody else in Ontario.

Mr. Speaker: The question having been put, I did not hear the honourable member withdraw the use of that word.

Mr. Rae: I indicated that I would withdraw any word you found unacceptable, and I do so.

Mr. Speaker: Thank you.

Hon. Mr. Welch: So there will be no misunderstanding with respect to what the minister actually did say, perhaps it would be wise to refer the question to her, since she is now in her place.

Hon. Ms. Fish: Mr. Speaker, my apologies to the leader of the third party; I tried to find my seat in time to answer his first question and then to handle supplementaries as well.

Let me simply say a couple of things as I am looking over both of the questions the leader of the third party placed. A couple of points for clarification are worth while.

First of all, the member is no doubt aware that a series of grants has been provided to the Radio Reading Service through the vehicle of the Ministry of Culture and Recreation, as it then was, and the Ministry of Citizenship and Culture, as it currently is. However, in each of the last three years in particular—perhaps four, but certainly the last three—the grants have been given as a final, one-time grant responding to two points being made by the good people of the Radio Reading Service.

One point was a concern they had that they would not be able to carry on in the absence of some sort of emergency grant being provided very close to the end of the fiscal year; second, carried with it were substantial undertakings and discussions about the Radio Reading Service being on the lip of major breakthroughs for technological expansion of their services, or for additional and alternative fund-raising efforts and funding support.

The matter has been reviewed very thoroughly on several occasions, notably coming up to last year's grant being provided. The advice in the correspondence given by my predecessor was very clear indeed, namely, that the Ministry of Citizenship and Culture was simply not in a position to carry this service on a regular basis. That was made very clear, and it was understood that the Radio Reading Service would be looking for other sources of diversified funding.

I came into my portfolio in July, reviewed the materials available to me, quite reasonably reviewed the advice that was given to the Radio Reading Service and understood very clearly from that correspondence that it was a final grant and that service would look for other funding.

I might say that, concerned as I was, and as my predecessor was and is, with services to the visually impaired, we proceeded with the limited dollars we had to improve the library services to the visually impaired. It was not until September of this year that a request came to me from the provincial secretary.

Mr. Speaker: That was a very complete answer. Thank you very much.

Ms. Copps: Mr. Speaker, the minister no doubt will be aware that the sum we are speaking of, \$40,000, is a modest sum in the context of government expenditures. The minister will also be aware that the Radio Reading Service is about to be picked up by Metro cable TV operators across the city and that the Radio Reading Service has a five-year plan to have the cost picked up in conjunction with a private trust company.

The Radio Reading Service has made this kind of effort over the past year to get itself on a financially independent footing. It seems to me when the minister talks about financial limitations within her ministry, she has to answer to the public and this House as to why she would cut off the \$40,000 grant to the Radio Reading Service at the same time as her ministry has just increased its information or advertising budget by \$1.67 million, which is an increase of 230 per cent.

Mr. Speaker: Question, please.

Ms. Copps: How can the minister justify cutting off a \$40,000 grant when her information budget has just been increased by more than 230 per cent?

2:40 p.m.

Hon. Ms. Fish: Mr. Speaker, I believe the honourable member misunderstands the basis upon which support had been provided. There is not and was not any ongoing support or ongoing grant. The entire point was that services to the visually handicapped through the Ministry of Citizenship and Culture have been provided directly through the libraries, and the point I was about to make a moment ago was that the limited dollars and services were devoted this year to enriching the services for the visually impaired and visually handicapped with the libraries, a very considerable move that seemed to be very much in demand and was worked out very closely with representatives of the visually impaired and visually handicapped.

There was no ongoing funding that was discontinued. There was a final one-time grant last year. I make the point that there was no application to my ministry, that my ministry does not have ongoing funds or programs for direct support of this kind. When I was asked quite properly by my colleague the Provincial Secretary for Social Development (Mr. McCaffrey), to whom the Radio Reading Service had written or contacted in September, I did undertake a review of the available funds and simply make clear that they had already

been devoted to assisting the visually impaired through library services.

Interjection.

Mr. Speaker: I think the minister has answered the question very well.

Mr. Rae: Mr. Speaker, the minister stated that she doubted whether it was her ministry's responsibility to finance the project, but in making the announcement last year when the Premier (Mr. Davis) announced in July 1982 that the government was granting \$40,000 to the Radio Reading Service of Oakville, he said, "The cabinet is reviewing government approaches to community based audio services for visually handicapped people." I would like to specifically ask the minister, if it is not the responsibility of her ministry, just whose ministry is it the responsibility of?

Hon. Ms. Fish: I would indicate, as I did before, that our interest is in servicing the visually handicapped. We have taken our programs and developed them with representatives of the visually impaired and substantially improved, as I noted before, the direct services through the library. At no time have I reviewed or given consideration to the question of whether there should be some support to Radio Reading Service.

Rather, I have looked at the overall mandate of my ministry, which is to provide the best possible service that we can to the visually impaired throughout the province. It has been our view that, taking limited dollars, we can best do that through the vehicle of direct support to the library system. That is what we have done and that is what we will continue to do.

EXTENDICARE

Mr. Rae: Mr. Speaker, I have a question for the acting Minister of Health (Mr. Wells), who was in his seat just 30 seconds ago. Would it be possible for someone to find out if he is around?

Mr. Speaker: Perhaps you can put the question.

Mr. Rae: I will have to put the question again to the Deputy Premier. Since it affects the basic matter of policy, and the Minister of Citizenship and Culture (Ms. Fish) said she does not have the money to do what she wants to do, perhaps it is a good idea if we look at where some of the government's money has been going.

Specifically, I would like to ask the Deputy Premier about the contract involving the government of Ontario, Queensway General Hospital and Extendicare Ltd. with respect to the operation of a new 120-bed chronic care facility.

I wonder if the Deputy Premier would care to comment on the fact that as a result of the peculiar financial arrangements which have been reached, the government of Ontario through the Ministry of Health will be paying \$16 a day more than the ordinary chronic care per diem rate to Extendicare, as a result of which annual payments for that amount, that extra \$16, will be about \$685,000.

The reason given by the government for this extra \$16 a day, this extra \$685,000, this extra \$13.5 million over 19 and a half years, is that is the amount necessary to allow the ownership of the hospital to remain with the Queensway General Hospital. Can the Deputy Premier comment on that?

Hon. Mr. Welch: Mr. Speaker, I do not have that particular detail but I would be pleased to take that question as notice and make sure the minister has a full explanation. As he is approaching his seat now, no doubt the explanation will be falling from his lips even sooner than I thought.

Hon. Mr. Wells: Mr. Speaker, I heard the question and I will take it as notice. I do not have that information.

Mr. Rae: Does no one know what is going on around here? The minister will be aware that this \$13.5-million gift to Extendicare Ltd. is a result of the fact that the government of Ontario was not prepared to put up any of the capital necessary for the construction of this 120-bed chronic care facility.

I would like to ask the minister to comment on the fact that last April when the final letter of approval from the minister at that time, the member for St. Andrew-St. Patrick (Mr. Grossman), came through, the rate on long-term government bonds was 11.25 per cent which would yield an annual interest payment of \$535,000, which is \$150,000 a year less than the amount which is being given to Extendicare Ltd.

Given the very real problems that are being experienced in ministry after ministry with respect to adequacy of funding, and by group after group in this province which is desperately in need of government assistance, how can the minister justify the overexpenditure of at least \$3 million even in comparison to what it would have cost the government itself to have borrowed the money at long-term rates at that time, which indeed might not have been necessary.

Hon. Mr. Wells: I indicated I would look into this and get the information. I have listened to my friend tell me we have overexpended and

explain how we should perhaps have handled this in a different way. If he would talk to his friend sitting on his left, he would find out the full story about how the Crockford Pavilion wing at Scarborough General Hospital came about and some of the innovative things that have happened in the hospital system in this province, not the least of which is happening in the hospital down east where he has been so critical of AMI (Canada) Ltd. and its operation. I would like to get all the facts before I enter into a debate with the member on this.

Ms. Copps: Mr. Speaker, in investigating the long-term lease arrangements the Queensway has with Extendicare, can the minister return to this House with an assurance that a similar kind of arrangement will not be used at Doctors' Hospital when it attempts its 200-bed chronic care expansion, even though an executive of Extendicare has just got on to the board at Doctors' Hospital?

Hon. Mr. Wells: Mr. Speaker, I cannot give the honourable member that assurance now.

Mr. Rae: The minister may be aware that on page 7 of Extendicare's 1982 financial report it says, in talking about the Queensway contract, "The company anticipates that this precedent setting agreement"—it might well be from the point of view of Extendicare shareholders—"will lead to its further participation in the management of other hospitals in Canada."

Is the minister prepared to give an assurance to the House at this time that no further arrangements will be arrived at, at least until such time as an independent committee of this House has had the alternative of looking at the finances and the economics of these contracts which have been criticized by a great many people involved in the public administration of nonprofit operations in Ontario?

Hon. Mr. Wells: I am certainly going to look closely at the operation of hospitals where these contracts have been let. I have already authorized two impartial observers to comment on and to give us an impartial assessment of what has happened at the Hawkesbury hospital and to report on that operation. That will help us in our—

Mr. Rae: Send the Toronto Star down as well.

Hon. Mr. Wells: Pardon?

Mr. Speaker: Never mind the interjection, please.

2:50 p.m.

MINISTRY BUDGET CUTBACK

Mr. McGuigan: Mr. Speaker, my question is to the Minister of the Environment. Before I put it, I want to say "thanks" to him for the announcement he just made; the people in my riding are quite appreciative of that.

I am sure the minister has reviewed the ministry's budget and is appalled to find that it has been slashed by \$32 million. Taking into account the effects of inflation, an extra \$22 million has been lost. So there is a total cutback of \$54 million.

Charles Caccia, the Minister of Environment for Canada, has said, "A worldwide environmental catastrophe as irreversible as any nuclear holocaust could occur within 20 years if nations do not address major environmental problems." In view of that statement and the problems on the Toronto beaches, it seems to me this government is sending the wrong signal to the people who are responsible for many of these things.

What is the minister going to do to get that \$54 million back for his ministry?

Hon. Mr. Brandt: Mr. Speaker, implied in that question is the suggestion that we may be close to some kind of environmental catastrophe in this province. That is an extremely remote possibility, I suggest to the honourable member; there is no chance whatsoever of that happening.

Regarding the budget cutbacks, as I indicated to the critic from the Liberal Party during the estimates, those cuts have been made essentially from municipal projects where the municipalities, as a result of the slowdown in construction and reductions in their own budgets, have not come forward with the same number of requests for construction assistance from my ministry as normally would be the case.

In fact, we have not cut back on any of our environmental protection programs. The announcement I made today about one of the largest subsidies ever given by this ministry for an environmental program, namely, the reconstruction and reinforcement of water tanks literally throughout the province at a level of 90 per cent, is a good indication of the fact that we are quite prepared to move in where there is a need and a requirement to assist communities in environmental programs.

The reduction of some \$50 million which the member indicated has not come directly out of our environmental programs but is a result of a

slowdown in municipal construction and has been brought about by their cutbacks.

Mr. McGuigan: We fully realize that answer from having attended the estimates; but now that those funds have been freed up, does the minister not see an opportunity to attack and to show the people of this province that he is going after some of the tougher problems?

I mention the matter of ground water in a number of places. For instance, in the Georgian Bay area a plume of poisoned water will be reaching those waters in a matter of three to five years. I point out that there are fantastic opportunities in the Great Lakes basin as a resource for recreation and sports. One item that comes to mind is a salmon fishery. This is going to become as important in the world as the salmon fishery was on our coastlines. Many people are concerned about the quality of the water. The International Joint Commission says toxic chemicals are now starting to reappear.

Mr. Speaker: Question, please.

Mr. McGuigan: I ask the minister once again for a commitment to go after these funds to attack the further problems we have.

Hon. Mr. Brandt: Knowing the lead time for some of the programs, including the matter of the beaches, which was covered in the preamble to the member's earlier question, it is not likely that the money could be used during this year. The time required to do the engineering, the preparation and finally the construction of the programs is such that it simply would not be possible in this fiscal year.

I want to assure the member that if there are any programs that would improve the environment of our province in any way, shape or form, I am more than willing to listen and to take the advice of not only my own staff experts but also members of the opposition. It was members of the opposition in great part who brought the problem of water tanks to the attention of my ministry. Many of them will be taking advantage of that particular program.

In addition, there was comment made about the reappearance of certain contaminants as a result of reports on the part of the IJC. Again I say with some frustration, the contamination that is appearing in our Great Lakes system is probably at a level of close to 99 per cent coming from our US neighbours as opposed to coming from our own jurisdiction.

Quite obviously, we can clean up to 100 per cent, there is always room to improve on the record we have at the moment, but I have to

suggest that one of the ways we have to improve on the environment of Ontario is by getting a cleanup elsewhere as well, as the member for Niagara Falls (Mr. Kerrio) and other members in the Niagara area know. We have to get our American friends to clean up some of the contamination that is leaching into the Niagara River basin. We will continue to do that as well.

I want to assure the member we are not cutting our budget or any of our programs on environmentally needed undertakings. I want to give the member that assurance.

CHIEFTAIN TOURS

Mr. Philip: Mr. Speaker, I have a question of the Deputy Premier in the absence of the Minister of Consumer and Commercial Relations (Mr. Elgie), concerning the situation of Chieftain Tours which is in such financial difficulty at the moment.

Can the Deputy Premier confirm that the assets of Chieftain Tours were frozen on Tuesday, November 8? If he can confirm that, can he inform the House why the following day, namely Wednesday, November 9, travel agents who called and spoke to Norm Baird at the registrar's office and asked, since there were rumours in the industry about the demise of yet another wholesaler, whether or not they should continue to send cheques on behalf of their clients to Chieftain Tours, were told to continue to do so? How can the minister freeze the assets one day and tell the people to keep on sending in their money to the company the next day?

Hon. Mr. Welch: Mr. Speaker, the minister will be in the House tomorrow and no doubt he could be very specific with respect to dates and what particular actions were taken.

Certainly, my impression is that the officials of the ministry acted very responsibly, as they were entitled to do by law. All weekend I have been reading commendations on the part of people who are very close to that particular organization with respect to the activities of the ministry officials in that regard.

I am not able to be specific with respect to actual dates. I think I would be wise to leave it to the minister to respond to the concerns of the honourable member with respect to Tuesday and Wednesday. Nevertheless, with respect to consumer protection, I think the people of the province are being well served by the officials of the Ministry of Consumer and Commercial Relations.

Mr. Philip: With regard to consumer protection, every time one of these fellows goes

bankrupt he knows who pays for it. It is not the travel agents, it is the consumer who pays for it through his travel dollar.

Mr. Speaker: Question, please.

Mr. Philip: The minister has replied—in fact he replied over a year ago to this very issue. On November 3, 1982, as a result of the collapse of other certain companies that were brought to his attention, he said “further improvements are under consideration for presentation to the Legislature.”

Why is it that over a year later travel agents such as Free’N Easy Travel Inc. are told by the registrar to send money to this company on behalf of their clients the day after the company’s assets are frozen? Why is it that we still have bankruptcies such as this? Why is it the government has done nothing about it in a year, since it said it would over a year ago?

Hon. Mr. Welch: I think perhaps we should repeat that the protection of the consumer comes from the availability of the compensation fund. The member knows how that fund operates and how it is in fact operating in the interest of the consumer.

I am not able to give the member the specific details with respect to the dates of the freezing of assets and those other more technical questions. The minister will respond to that tomorrow, but I do think that against the background of this particular occurrence, unfortunate as it is, the compensation fund is working and indeed the registrar did act when he was legally empowered to do so.

HOSPITAL PRACTICES

Ms. Copps: Mr. Speaker, in the temporary absence of the acting Minister of Health (Mr. Wells), I will ask my question of the potential future acting Minister of Health, the Provincial Secretary for Social Development.

The minister will no doubt be aware that last week his government received a registered letter from the lawyer of a Peterborough physician calling for an investigation into the decision by the Peterborough Civic Hospital to threaten the physician’s hospital privileges because she allowed parents to stay with their babies after the birthing process. Does the minister have any intention of carrying out an investigation into the situation as described in the letter his government would have received last week?
3 p.m.

Hon. Mr. McCaffrey: Mr. Speaker, I do not want to disappoint my friend, but I am not

aware of the registered letter. I will make certain the acting Minister of Health (Mr. Wells) is in a position to respond tomorrow.

Ms. Copps: It is unfortunate the minister is not aware of the letter. He will no doubt be aware of the case because it has been widely publicized. I think it speaks to the very issue of choices in the birthing process and, indeed, in many cases to bringing the province into the 20th century with respect to those issues.

The minister will be aware from newspaper reports that this doctor spent \$10,000 of her own money, underwent a 13-hour hearing that was convened under the Public Hospitals Act and was vindicated. How can the government refuse to act, when in a subsequent move by the board, in violation of the spirit of the Public Hospitals Act, this doctor faced a potential removal of hospital privileges merely for allowing parents some choice in the birthing process?

The minister will also be aware that the government appointee on the board has resigned in protest because of conditions that led to the reversal of an earlier position taken by the hospital board. Does he not believe this speaks to the very issue of choices in the birthing process? It speaks not only to the kind of fundamental cost-effective measures we need to help hospitals in this province, but also to bringing hospitals across this province into the 20th century with regard to the issue of birthing.

Hon. Mr. McCaffrey: I do not say this in any smart-alecky way, and I am sorry the acting Minister of Health is not here. I think the member raises an important point. I am not going to pretend I know certain aspects of the issue when I do not. In deference to the member and to the importance of the question, I would just ask that she bear with me and with the acting Minister of Health. Either one of us will be in a position to respond as thoroughly as we should respond as soon as possible.

Mr. Rae: Mr. Speaker, the issue that is raised here is quite fundamental to practices going on in hospitals across the province. I am sure the minister will appreciate that. I am sure he will also appreciate that there is a great deal of different opinion in the province, that some hospitals allow certain practices and other hospitals do not. Some hospitals, in fact, encourage some practices that appear on their very face to be reasonable, but other hospitals have decided they are “dangerous” in their view.

I wonder if the minister would not undertake at the very least to have his colleague make a

clear statement on behalf of the government of the province on the policy of this government with respect to these practices, not only the practices in question in the Peterborough situation, but other situations across the province, so that people who want to exercise a degree of choice will be able to exercise that choice provided it is always done under medical supervision.

I wonder if the minister could not at least undertake that a general statement will be made so that individual people and individual doctors will not be unfairly victimized as, I think one could argue, might appear to be the case in the situation in Peterborough.

Hon. Mr. McCaffrey: Mr. Speaker, I will undertake to speak to my colleague as soon as possible.

USE OF DEREGISTERED PESTICIDE

Mr. Charlton: Mr. Speaker, I have a question of the Minister of the Environment. Last Monday I asked the minister a question about Du-Ter and how it had come to pass that his ministry had approved that chemical for use in the summer of 1982, some seven months after it had been deregistered by the federal government. His response was that the federal government had not informed him or any other ministry of this government of the deregistration.

Unfortunately, the inevitable has happened. The same question was raised in Ottawa by my colleague Vic Althouse, who is the New Democratic Party federal critic for Agriculture. I have in my hand a response from the federal Minister of Agriculture wherein he says, "In April 1981 a memorandum was sent to all members of the Canadian Association of Pesticide Control Officials (CAPCO), including representatives of all provincial ministries of environment, health and agriculture, informing them that the registration of this product had been discontinued."

Has the minister investigated this matter further? Can he specifically tell us whether he has been able to locate this memorandum to which the federal Minister of Agriculture refers? Can he tell us what he is doing to ensure this kind of information problem will not occur again? This kind of slip-up, the registration and deregistration of potentially very dangerous chemicals, could have very dangerous implications in the future.

Hon. Mr. Brandt: Mr. Speaker, I am surprised at the information the member is bringing to my attention. The information I had with respect to the use of this particular pesticide was that the

deregistering took place in 1981, but we were not informed until 1983. This was the information I had at the time. It was the response I gave to the member and I stand by that.

However, in light of the new information the member is bringing to my attention and which appears to be quite in conflict with what I told him, I can assure him I did not intentionally mislead him. I will check further to see if there was any such correspondence from the federal government. I was given every assurance that we had not been advised and that the use of the pesticide was continued only because we had no other knowledge but to continue its use, that it was still a pesticide registered for use in the normal fashion.

However, I will check to see if the information I received was incorrect. Until then I will have to stand by the original response I gave the member.

Mr. Charlton: Will the minister then report to the House, once he has investigated whether or not this memorandum of April 1981 exists? As well, will he undertake to set out for the House the normal notification procedure relating to dialogue between federal authorities and the appropriate ministries of the province in terms of registration and deregistration of very harmful chemicals? We can then take a look to see whether or not the procedure needs tightening up.

Hon. Mr. Brandt: I believe there were two questions in the member's comments. The answer to both is yes.

LEGAL AID PLAN

Mr. Breithaupt: Mr. Speaker, I have a question for the Attorney General concerning the legal aid plan of Ontario.

As the Attorney General is aware, the Ontario branch of the Canadian Bar Association has issued a warning with respect to the disintegration problems within the legal aid plan. I quote briefly from their recent report: "The commitment made in 1967 by the government of Ontario to provide legal services as of right to the poor has been seriously eroded. The Ontario legal aid plan has been undermined by inadequate funding, manifested in the failure to adequately compensate solicitors for their services."

I am certain the Attorney General is familiar with the report and its findings. Can he tell me if he shares the concerns set out in this alarm which the bar association has raised? What, if anything, does he or his government intend to

do to prevent the further damage the association sees is coming to the legal aid plan?

Hon. Mr. McMurtry: Mr. Speaker, I am familiar with the report, of course. I think it is a very good report on balance, a very thoughtful document. I do not share the degree of alarm which is expressed in the report because I am of the view that the legal aid plan still does serve in a very adequate fashion the needs of the disadvantaged people in this province.

Certainly, I am concerned about the future of the plan. I believe we have reached a point where the issue of adequate funding is very much with us. Down the road we may have some difficulty in maintaining the degree of participation in the plan which exists now, so far as the bar is concerned, if the level of compensation is not improved.

Mr. Breithaupt: Less than a year ago, on December 1, 1982, the Attorney General called for "the courage to dedicate a significant increase in resources to legal aid" during debate on his ministry's estimates in the justice committee. Since he is committed to increasing the funds available for legal aid, what can we think of the present estimates, where some \$2 million less is expected to be paid for legal aid this year over the actual expenditure last year? How can we believe there is a serious commitment by the government to provide the necessary services?

3:10 p.m.

Will he attempt, through supplementary estimates or some other way, at least to match last year's expenditures on legal aid? Will he try to come up with any programs that can be of assistance in increasing the availability of needed services for those referred to earlier—the poor? They should have legal aid services available to them as a matter of right.

Hon. Mr. McMurtry: I am hoping the budget allocation process will demonstrate the continuing commitment of the government to legal aid in next year's estimates. In discussing adequate levels of compensation, I trust my distinguished Justice critic will continue to consult his former leader once removed, the honourable member for Brant-Oxford-Norfolk (Mr. Nixon)—

Mr. Nixon: I understand you are starving.

Hon. Mr. McMurtry: —who, I know, has a great personal interest in these matters as well.

Mr. Renwick: I am certain the Attorney General recognizes very clearly the impasse with respect to the fees which is developing under the legal aid plan is imposing an intolerable

burden upon the resources of the community legal clinics in the province. I hope he recognizes that is the effect of his government's attitude. Will the government now consider immediately bringing in legislation to remove the statutory requirement of the deduction of 25 per cent on all fees charged by lawyers operating under the legal aid plan?

Hon. Mr. McMurtry: I know this is not the first time this suggestion has been made and I am not in any way critical of it coming forward again from the member for Riverdale. However, the reality of the governmental budgetary process is that when any increase is permitted to any program, it is the net increase that is going to be considered by my colleagues throughout the process. I do not think, therefore, that realistically the removal of that statutory 25 per cent reduction is going to lead by itself to a greater influx of money into the plan.

Given the reality of the budgetary process, I think it probably would be a mistake to do that. At the same time, I regret very much that the public is not more aware of that statutory 25 per cent reduction. I think it is most unfortunate the public does not know to a greater extent that so many lawyers are discharging these very important services for 75 per cent of a very modest fee. They should realize this 25 per cent reduction represents a very significant contribution from many hundreds, if not thousands, of lawyers who participate in legal aid every year. But I do not think the removal of that statutory deduction by itself will alleviate the problems we undoubtedly face.

Mr. Renwick: It often leads to mediocrity, and that is what is happening with the legal aid plan.

AMWAY CORP.

Mr. Renwick: I have a new question for the Attorney General. Regardless of the fact it was a fraud on the federal government, will he, as chief law officer of the crown, comment about the plea bargain entered into by the crown prosecutor with defence counsel in relation to Amway Corp.? This plea bargaining permitted the four executives of that corporation to have the charges against them withdrawn.

Hon. Mr. McMurtry: First, I would hope by the tone of the question that the member for Riverdale is in no way reflecting on what I think was a very admirable job performed by counsel in my ministry with respect to obtaining the pleas of guilty.

One of the realities of that case is that it might have taken anywhere from two years to five years to achieve a successful extradition of those individuals, and a successful extradition was in no way assured. The admissions of personal guilt and involvement on the part of the named executives, given the fact, as Chief Justice Evans was told, there could have been another decade before this matter was finalized, these and a number of other factors, coupled with a very substantial fine and the admissions of guilt, demonstrate that the law officers of the crown responsible for this achieved an excellent result.

I might say I have already heard from south of the border, from individuals who are following this case with some interest, commenting on the very good result that was achieved "by the Canadian authorities." As the members will know, any civil liability that is borne by Amway Corp. is in no way affected by this plea of guilty and the very substantial fine imposed.

In general terms, that represents a very significant accomplishment by Mr. Paul Lindsay and others who were involved with him in this very important case. If there are any other details the member for Riverdale would be interested in, I would be very happy, for example, to share with him the very lengthy statement that was made to the court by Mr. Lindsay on Thursday last.

PETITIONS

INFLATION RESTRAINT LEGISLATION

Mr. Newman: Mr. Speaker, I have a petition, which reads as follows:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned nurses, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith."

This petition is signed by some 125 nurses from the Hotel Dieu Hospital in Windsor and the Metro Windsor-Essex County Health Unit.

Mr. Grande: Mr. Speaker, I have a petition addressed as follows:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned nurses, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith."

This is signed by 151 nurses from the North-western General Hospital.

Mr. Eakins: Mr. Speaker, I also have a petition, which reads as follows:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned nurses, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith."

This petition is signed by 35 nurses representing the Red Cross Hospital in Haliburton and the Ross Memorial Hospital in Lindsay.

3:20 p.m.

Mr. Cassidy: Mr. Speaker, I have a petition.

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned nurses, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith."

This petition is signed by some 165 nurses

from Grace General Hospital and from the Ottawa Civic Hospital in my riding of Ottawa Centre.

Mr. Kolyn: Mr. Speaker, on behalf of my Conservative caucus colleagues, I would like to present the following petitions.

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

Mr. Sweeney: Mr. Speaker, I have a petition signed by 73 nurses from the Freeport Hospital and Sunbeam Home in my riding.

It is addressed to the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario, petitioning the Ontario Legislature "to restore our free collective bargaining rights forthwith."

This obviously was signed prior to the announcement by the Treasurer (Mr. Grossman) of the new restraint legislation. We will not know until later this week exactly whether or not it fits, but on behalf of my constituents I present this petition.

Mr. Conway: Mr. Speaker, as one of Her Majesty's loyal and happy citizens, I have the pleasure to introduce two petitions to the Honourable the Lieutenant Governor. If I could digress momentarily the Lieutenant Governor, pronounced the American way, is in New York. We were not part of all of that 200 years ago. So as one of Her Majesty's loyal and happy citizens, it is my great pleasure to introduce on behalf of a group of nurses at the Pembroke General Hospital, and on behalf of teachers at Morison public school in the great town of Deep River, two petitions relating to the matter of public sector restraint and collective bargaining.

Mr. Breagh: Mr. Speaker, I have a petition. "To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned nurses, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith."

It is signed by 69 members of the Durham Regional Health Unit.

Mr. McEwen: Mr. Speaker, I have petitions to the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario. They are signed by 526 teachers from the great ridings of Frontenac-Addington and Prince Edward-Lennox. The petitions read:

"We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

I have been requested to present the Prince Edward-Lennox petition because the member for Kingston and the Islands (Mr. Norton) is ill, the member for Prince Edward-Lennox (Mr. J. A. Taylor) was travelling in Saudi Arabia and the member for Hastings-Peterborough (Mr. Pollock) is unwilling to present it.

Mr. Charlton: Mr. Speaker, I have a petition from 28 nurses who work in the good riding of Hamilton Mountain at Macassa Lodge and at the Ontario Cancer Foundation.

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned nurses, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith."

Mr. Riddell: Mr. Speaker, I have a petition signed by 35 nurses with the Alexandra Marine and General Hospital in Goderich and the Huron County Health Unit.

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned nurses, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith."

Mr. Wildman: Mr. Speaker, I have a petition.

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned nurses, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith."

This petition is signed by 19 nurses from the Lady Dunn General Hospital in Wawa, and I am in support it.

Mr. Epp: Mr. Speaker, I have a petition similar to all the others that have been presented. It represents about 200 teachers who live in my own constituency but teach in various schools, both in the city of Waterloo and in the townships of Woolwich, Wellesley and some of the other surrounding communities.

The various public schools they teach in are Breslau Senior, Sandowne, Floradale, Heidelberg, Northdale, Central, Stanley Park Senior, Country Hills, Prueter, Harold W. Wagner,

Maple Grove, Forest Glen, Conestogo, Winston Churchill, Wm. G. Davis Senior and Rockway.

Mr. Samis: Mr. Speaker, I have a petition to the same effect, signed by 77 staff members of the following schools in the riding of Cornwall: Central Public, Gladstone Public, John Sanfield and Eamers Corners.

Mr. Edighoffer: Mr. Speaker, I have a petition.

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned nurses, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith."

It is signed by 14 nurses from the Perth District Health Unit and 57 nurses from the Stratford General Hospital.

3:30 p.m.

Mr. Swart: Mr. Speaker, I have a petition from 71 nurses at the Welland County General Hospital, addressed to the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario, which reads the same as the previous petition tabled here and concludes:

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith."

As part of this caucus, I want to assure this House and the nurses that we will work to ensure that any legislation passed in this House reflects the principles of this petition.

Mr. Mancini: Mr. Speaker, I have a petition similar to the other petitions introduced in the House today read by my colleagues. This petition is from the employees of the Leamington District Memorial Hospital. I have a similar petition from the employees of the Sun Parlor Home for Senior Citizens, and a similar one from the teaching staff of the East Mersea Public School; and I introduce these petitions for the pleasure of the Lieutenant Governor.

Mr. T. P. Reid: Mr. Speaker, I have a similar petition.

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned nurses, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith."

This is signed by approximately 67 nurses from the Dryden area, the Northwestern Health Unit in Fort Frances, the Rainycrest Home for the Aged and the Emo Red Cross Hospital.

Mr. Renwick: Mr. Speaker, I have a petition signed by 21 teachers who either teach or live in the riding of Riverdale.

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

Mr. Newman: Mr. Speaker, on behalf of my colleague the member for Wellington South (Mr. Worton), I have a petition which reads:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned nurses and RNAs, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith."

It is signed by 59 nurses from the Guelph General Hospital.

Mr. Stokes: I have a similar petition signed by 10 nurses from the McCausland Hospital in Terrace Bay and 15 nurses from the Nipigon District Memorial Hospital. They petition for the same reasons. I support that petition.

Mr. Boudria: Mr. Speaker, I have a petition.

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned nurses, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith."

This petition is signed by 31 people on staff at the Hawkesbury and District General Hospital. I am sure the members to my left will be glad to know I always support the Hawkesbury and District General Hospital.

ORDERS OF THE DAY

House in committee of supply.

ESTIMATES, MINISTRY OF NORTHERN AFFAIRS

Hon. Mr. Bernier: Mr. Chairman, I want to open by encouraging my opposition critics, the member for London North (Mr. Van Horne) and the member for Lake Nipigon (Mr. Stokes), to give us the benefit of their advice and criticism as we go through the examination of my ministry's estimates.

It is my pleasure to present, for the seventh year now, the estimates of the Ministry of Northern Affairs. In the remarks that follow, I will not be adhering strictly to the vote and item schedule as found in members' briefing books; I will attempt to touch on areas in which the ministry is actively involved in addressing the needs of the residents of northern Ontario.

As I said a moment ago, I know the members opposite will be eager to take this opportunity to suggest ways in which the Ministry of Northern Affairs can do an even better job of serving the north. I look forward to their comments and constructive suggestions.

To make sure I am not alone to hear the benefit of their views, I have several people from my ministry with me today, and I know the

critics will want to recognize them in the course of their remarks.

There is my deputy minister, David Hobbs, who travels extensively across northern Ontario. If members have been up there, I am sure they would have crossed his path, because much of his time is spent there.

Also here is the assistant deputy minister for the northeastern region, Mr. Herb Aiken. He is located at Sault Ste. Marie and looks after that vast area of northeastern Ontario exceptionally well.

The assistant deputy minister from the far west, Bill Lees, is also here. He was formerly located in Thunder Bay. He went to the Ministry of Transportation and Communications in Sudbury. He has seen the opportunities with the Ministry of Northern Affairs to help that great area of northwestern Ontario and is now back as the assistant deputy minister in Kenora.

Also with me is Dennis Tieman, the executive director responsible for planning and administration; Sheila Willis, our director of communications, responsible for public information; Dorothy Templeton, the executive assistant to the deputy minister, responsible for co-ordinating a number of administrative procedures and other matters; and Fran Grant, responsible for audit procedures.

Those are the people from the ministry who are in the gallery.

Northern Affairs is a very small ministry, and it is a very small staff to have here. As I have said on many occasions, 70 per cent of our staff is in northern Ontario. It is very important that they have an opportunity to come here and listen firsthand to suggestions and comments.

I am sure the members present will agree with me when I say the experiment begun seven years ago has worked. The Ministry of Northern Affairs has fully established itself as a valid and effective agency of the Ontario government for dealing with the north's special concerns and opportunities.

When we began, we were a prototype ministry for the type of mandate and policies given to us. Not all such experiments work. In other provinces, different concepts and delivery agencies for northern programs have been changed and even abandoned. By contrast, Ontario's approach has been the subject of studies by representatives of other provinces.

Our local services boards—there are now some 33 communities involved—and the medical recruitment techniques, to cite only two

small examples, have attracted interest from both government and the academic community.

3:40 p.m.

Working from its mandate to co-ordinate programs and policies of the Ontario government that affect the north, the ministry has actively addressed a broad range of northern issues and has sought out unique approaches to meeting northern needs. Indeed, after seven years I think it is fair to say we are moving away from things that had to be done to things that ought to be done.

Mr. Wildman: The question is, the things that had to be done, should they be done?

Hon. Mr. Bernier: They are all done. We are getting into a whole new field now.

As members will see from the remarks that follow, the ministry is now looking at more programs of a social or even cultural nature in addition to providing such basic services as sewer and water facilities or industrial servicing.

One important example where the basic objective has been nearly achieved is fire protection in unorganized communities. My staff informed me recently that with an acceleration in the unorganized communities assistance fund we would ensure that by 1987 every unorganized community in the north had a basic form of fire protection. In response to that, I am pleased to announce that I am increasing my ministry's funding for fire protection by \$400,000 per year. By 1987 virtually all of the 300 unorganized communities in the north will have this most vital service.

As I go through this introduction to the ministry's spending estimates I will be pointing out how all the programs we support, from essential infrastructure to cultural activities, fit into our broad economic and social development goals for the north.

A key area for the Ministry of Northern Affairs is its role as an advocate for the north. As a co-ordinating agency that works closely with nearly all other ministries in delivering our programs and which participates in many cabinet committees, Northern Affairs is frankly biased towards the north. That is our mandate. It means on many programs and issues we are going to become involved in discussion and debate with our fellow ministries over objectives, funding levels, timetables—a range of policy and planning elements.

This is normal. In a democratic government it is part of the system of checks and balances that ensures tax dollars are well spent and needed

programs are provided—in our case, of course, to the northern residents. We are the watchdog for northern Ontario and we watch everything that goes by.

Those of us who form the government are therefore surprised when, every time there is some interministerial discussion on an issue, calls go up from the opposition for resignations. In our case our advocacy role demands that I and my staff bring a northern perspective to the boardroom when discussions affecting the north are taking place in Queen's Park. We have done this vigorously on such issues as hydro rates, land use planning and many more.

Mr. Stokes: And fishing agreements.

Hon. Mr. Bernier: The member knows them all; he has the paper.

Bringing the northern perspective to bear is really our job.

Mr. Stokes: On fishing agreements.

Hon. Mr. Bernier: I did not hear the member.

I would like now to turn to the main programs for which the Ministry of Northern Affairs is seeking funds for this fiscal year.

I mentioned a moment ago that I would try to show the planned linkage between various programs that unites them in our overall objective to support increased economic development and diversification in the north. I would begin this by noting two programs that provide essential infrastructure in the north: water and sewage systems and northern highways.

Both of these programs provide basic services essential to development. Expanded water and sewer facilities provide the capacity for expansion in both the industrial and residential sectors of our northern communities. Our annual funding for the King's and secondary highway system in northern Ontario provides for a safe and efficient network for the transportation of people and goods.

Mr. Stokes: King's? That should be Queen's highways.

Hon. Mr. Bernier: We call them King's—but they are the same highways.

In both of these areas we work closely with the two ministries with the line responsibility, the Ministry of the Environment and the Ministry of Transportation and Communications. In the case of the former, we frequently step in to provide additional funding to municipalities in order to make a project happen or to make it happen sooner than would otherwise be the case. The reason for this is simple: building

water and sewage systems in the north's climate and geography can be an expensive proposition, so the funding formulas applied generally to the municipalities are not often adequate, particularly for many small municipalities with limited tax bases.

We have also joined the federal government in providing funds for several major water and sewer projects in the northeast. In Sault Ste. Marie, work is proceeding on schedule for a \$70-million expansion to that city's water and sewage system. Another major project will soon begin in Timmins.

We also fund, as I mentioned, the northern roads program, which involves construction and rehabilitation of the King's and secondary highways in northern Ontario. We set the priority on what gets done, where and when. The Ministry of Transportation and Communications carries out the work on our behalf and is, of course, responsible for maintenance. This year we will be spending \$55,680,000 on the northern roads program.

This year, two major bypasses are under construction in the north, one in Sudbury, the other in Kenora. Both of these projects will provide safer, more efficient traffic routes around these two municipalities. Both are also contributing to economic development in their respective regions right now in the form of jobs and demand for material and services.

The ministry has considerable involvement and interest in transportation in the north, which is not surprising when we consider we are dealing with a region the size of western Europe.

Besides highways, the most familiar of these to members who have travelled north will be the passenger services of the Ontario Northland Transportation Commission, which reports through the Ministry of Northern Affairs.

Mr. Wildman: Your colleague, the member for Cochrane North (Mr. Piché) thinks you need a new commission.

Hon. Mr. Bernier: I will look after him.

Mr. Chairman: Order. The minister will continue with his remarks.

Hon. Mr. Bernier: To support the economic and the social contribution made by reliable scheduled passenger services, the Ministry of Northern Affairs annually funds the operating deficit for the provision of these services in the north.

They include norOntair, one of the most successful local airlines of its type in the world,

the northeast rail services of the Ontario Northland Railway from Toronto through to Kapuskasing, and the Chi-Cheemaun ferry service from Tobermory to Manitoulin Island.

NorOntair, which carried close to 100,000 passengers last year, is scheduled to take delivery of the first two de Havilland Dash-8s next fall. My colleague from Cochrane North is very sensitive to that.

Mr. T. P. Reid: Where are they going to be based?

Hon. Mr. Bernier: I have already made a public statement that the first one will go into northeastern Ontario.

Mr. T. P. Reid: That is right, but where is the maintenance base for them?

Hon. Mr. Bernier: I will get to that in a minute. I will just finish this paragraph and then I will give the member a little insight into what is happening.

This will enable the airline to realize some cost efficiencies in the long term, while providing some striking improvements in the areas of comfort and speed for norOntair passengers. As members know, the operations of norOntair are contracted out to three different private sector carriers in the north, providing support for the aviation sector in northern Ontario. This will continue to be the case with the Dash-8s.

I should add, regarding production of the Dash-8, that we are watching the federal discussions over continued funding for de Havilland's Dash-8 program with more than a little interest. De Havilland has been one of the real strengths of the Canadian aerospace industry and the Dash-8 is one of the finest products ever. I hope the federal government will make an early and positive decision so that we can get on with the job.

In answer to the question of the member for Rainy River (Mr. T. P. Reid), we have proposals ready to go to Management Board of Cabinet with respect to the operation of the Dash-8 but we are waiting for the federal government to make a decision with respect to the production of the Dash-8 here in Downsview.

I had to admit publicly that I was very disappointed that the federal government should put so much money into Canadair and assure them that it would be a viable operation, put so much money into a helicopter manufacturing plant in Quebec, also to assist—

Mr. Stokes: I thought your purchase was consistent with your dependency upon the fact that it would be built in Ontario.

Hon. Mr. Bernier: Yes, there is no question about that, but the federal government has poured literally hundreds of millions of dollars into the Quebec aerospace industry and has ignored de Havilland.

3:50 p.m.

I would hope that the many federal members who make up the Liberal Party in this province would stand up and be counted when the chips are down, because I do not think in anybody's opinion de Havilland can be short-changed on this production opportunity. It has to go. There has been no firm decision with regard to production of the Dash-8 at this time. I think they have sufficient to manufacture something like 15.

Mr. Stokes: Why have you said you will buy it then?

Hon. Mr. Bernier: We have two of the first four. It is a shocking position indeed. However, we hope and are confident that a positive decision will be reached by the end of this year.

Mr. Laughren: If it were not for René Piché you would be nothing.

Hon. Mr. Bernier: That is right.

Mr. Chairman: The minister will continue with his remarks.

Hon. Mr. Bernier: Another Ministry of Northern Affairs program in the area of transportation is the remote airport program providing airstrips and ground facilities in remote settlements in the far north. I was pleased recently to participate in the opening of airstrips at Sachigo and Deer Lake, bringing the total constructed to 18. Work is proceeding well on our current project at Cat Lake.

Regarding the remote airport program, I would like to mention briefly here the report of the interministerial Task Force Study of Transportation and Living Costs in the Far North, released by my ministry this past summer. The report noted the value of this program in providing year-round access to communities that had been cut off from the world for up to six weeks during spring thaw and fall freeze-up when float planes could not get in. Now larger planes can get in all through the year, bringing bulk supplies and fresh food. Beyond these obvious benefits the airports, which were nicknamed "highways in the sky" when the program was first announced, have generally reduced the isolation of these communities.

When I talk about the social benefits of the remote airport program, I am reminded that in

other areas the social fabric of northern Ontario is being weakened by cutbacks in service. I refer to the continued efforts by Via Rail to remove services from the north. My colleague the Minister of Transportation and Communications (Mr. Snow) and I have expressed our concerns over Via's growing reluctance to provide a basic level of rail service to northern communities.

We are also party to a committee which includes Via and several other agencies which are looking into the options for retaining rail service on many of the routes now slated to be cut. I sincerely hope the committee's recommendations address our concerns, especially for those communities whose only access is by rail.

Here I must express my disappointment at learning recently of the Canadian Transport Commission's decision to hold hearings in Sioux Lookout and Thunder Bay with respect to the discontinuing of passenger service from Sioux Lookout to Thunder Bay in advance of this committee's recommendations coming down. I expressed my disappointment at that time.

Turning now to another important area of the ministry's transportation responsibility, I would like to talk for a moment about our involvement in access roads, or economic development roads as we sometimes call them.

I took part in a pleasant ceremony last week in Detour Lake, where the largest gold mine to open in North America in many years was officially christened with the unveiling of its first brick of bullion. This mine opening was made possible in part by the swift action of the Ministry of Northern Affairs back in 1980 in committing itself to fund construction of the access road into that area, thus ensuring that 95 per cent of the jobs and the benefits flowing out of that mine would remain in Ontario, most of them in the north.

These include an estimated \$660 million return to the province over the mine's expected 20-year life in the form of licence fees and taxes alone. Another \$15 million a year or more will flow into the local economy in the form of salaries paid to employees living in the area, and the mine's own requirements for materials and supplies.

Detour Lake is a project where Northern Affairs was able to play a part in ensuring that benefits from a northern resource went to the north. We do the same thing on a smaller scale regularly through the northern Ontario resources transportation committee, of which I am chairman. NORT, as we call it, provides funds for

access roads, primarily to mineral and timber resources.

Through NORT, we provide assistance to enable companies to build roads that might otherwise be deferred or put off entirely. Later on, the province will benefit from tax revenues from the economic activity generated by these roads. This year, 725 kilometres of all-weather road will be constructed as well as 685 kilometres of winter roads to bring bulk fuel and supplies to the communities of Round Lake, Sandy Lake, Deer Lake, Pikangikum and those communities north of Moosonee on the shore of James Bay.

To sum up this portion of my remarks, each year the ministry spends a large portion of its budget on transportation, but for some quite different reasons. From basic roads to winter roads, from planes to boats and trains, we support transportation development, resource development, tourism development and social development in the north through our funding for transportation.

I would like now to turn to a second major area, resource development, and describe briefly some other programs through which we encourage the increase of and effective utilization of the resources of the north.

The Ministry of Northern Affairs is involved in the funding of a forest management program, one large component of which is road building. The \$72.5 million forest management subsidiary agreement has in it \$56 million for roads. Many of these roads are cost-shared with the forest industry they serve. They provide access to vast stands of mature and overmature timber to ensure this valuable timber is used before it falls prey to fire, insects or disease.

The roads are constructed under the supervision of the Ministry of Natural Resources and there is considerable consultation with residents and tourist operators in the affected areas beforehand. During this fiscal year, some 100 kilometres of roads will be completed under the agreement, providing access to 700,000 cords of timber.

Other activities undertaken through the FMSA include silviculture camps, tree nursery expansion, soil surveys, hardwood utilization studies and applied research and development. This agreement is complementary to the pulp and paper agreement between Ontario and the federal government, which ensures the future viability of our mills through an intensive program of upgrading and modernization. Together they are strengthening our forest industries and the communities that rely on those industries.

Another area through which we work with the Ministry of Natural Resources to increase the benefits flowing to the north from those resources is the northern Ontario geological survey. Through a variety of programs which provide geophysical and electromagnetic surveying as well as mapping and community geologists, we participate in facilitating the discovery and development of new ore bodies.

I might mention in passing that recently I visited the area of the Hemlo gold camp. It is truly heartening to see the development which is taking place there. Hemlo provides an example of the co-ordinating or lead ministry role that MNA plays in northern Ontario.

The members will recall the interministerial committee that was established to develop a government approach to deal with distressed single-industry communities in northern Ontario. The committee reported to cabinet last year and provided a framework for dealing with individual single resource communities which were facing economic difficulties. The committee's report was accepted by cabinet. As a result of its principal recommendation, my ministry has been given a clear mandate to take the lead ministry role on matters affecting single-resource-industry communities in northern Ontario.

We have undertaken that role with communities that are facing difficulties, most notably Atikokan. Hemlo represents the other, the "boom" side of the coin, where development pressures require a co-ordinated Ontario government response to deal with the situation. As a result, we are serving as lead ministry on an interministerial committee whose job it is to see that the rapid development in the Hemlo area takes place in an orderly manner and will provide maximum benefits to the people and communities of that area.

One very successful mechanism for assisting resource development in northern Ontario is the northern Ontario rural development agreement which, on the provincial side, is the responsibility of my ministry. NORDA provides assistance for a number of resource-related activities in the areas of agriculture, mineral and forest product development, tourism and small business development.

4 p.m.

For a moment I would like to focus on agriculture, an area in which we believe there is considerable potential for development in the north. Since 1981, when I signed the northern Ontario rural development agreement, NORDA

has provided grants to nearly 900 farmers in the north for land clearing in Rainy River, tile drainage in the Temiskaming clay belt and pasture management on Manitoulin Island. NORDA is also providing grants for farm products marketing and for demonstration projects aimed at improving the efficiency of northern agriculture through the application of proven technology.

Beyond the area of NORDA funding, members may recall that last spring the Minister of Agriculture and Food (Mr. Timbrell) and I announced the seed potato upgrading and distribution program for northern Ontario.

Mr. Laughren: I thought the member for Cochrane North announced that.

Hon. Mr. Bernier: He may have been in on it because I am sure he had some very positive ideas about it.

Mr. Laughren: Who knows what he is doing from day to day.

Hon. Mr. Bernier: He has a say in everything that happens in northern Ontario.

Mr. Barlow: He knows about it.

Hon. Mr. Bernier: That is right. We have a very strong northern caucus on this side of the House. All the members are very much involved with what is happening in northern Ontario. They are well up to date and they are very supportive of this ministry and what we are doing.

The seed potato upgrading and distribution program, which is known as SPUD, will be based at the New Liskeard College of Agricultural Technology. Its goal is to supply enough early generation potato stock by 1987 to produce 80 per cent of this province's seed potato needs. That will do two things. First, it will create a new industry in the north worth an additional \$800,000 a year in gross farm income; second, it will considerably reduce our dependence on imports of seed potatoes.

The SPUD program is only the latest innovative agricultural initiative undertaken by the Ministry of Northern Affairs and the Ministry of Agriculture and Food in the north. There will be more. In order to realize the development potential of agriculture in northern Ontario, we are working closely with OMAF to put into place a northern Ontario agricultural strategy that will expand the agricultural base and the overall economic base of the north.

Another area that has great potential in the north is tourism. Again, NORDA has been

valuable here in bridging the gaps between conventional funding sources. Apart from mon-
eys for feasibility studies and specific attrac-
tions, NORDA has helped many small outfitters
and operators to develop an implement mar-
keting plans to attract an increasing number of
visitors to northern Ontario.

Northern Affairs also provides support for
tourism infrastructure, such as the parking and
viewing facilities at Ouimet Canyon—I was
there just a month or so ago—and at Kakabeka
falls. It is beautiful.

Mr. Laughren: Have you put up a fence there
yet? Have you got a guardrail up yet?

Hon. Mr. Bernier: Not yet, no, but it is
beautiful.

Mr. Stokes: It is nice that the minister gets
around to my riding once in a while to see what
the action is.

Hon. Mr. Bernier: That is right. It happens
right across the north. We are watching what is
going on in that riding from a number of
different points of view.

In the past year we have also provided
assistance for tourist information centres at
Fort Frances, Vermilion Bay and also at Sudbury.
With the assistance of the Board of Industrial
Leadership and Development, we will be fund-
ing construction of a tourist information centre
in the part of the Sudbury area known as
Rainbow Country.

Many potential tourists to northern Ontario
go through Ontario Place each summer. We are
undertaking a major revamping of Ontario
North Now at Ontario Place this winter, adding
more space and exhibits and emphasizing the
tourist potential of northern Ontario. We are
also active each year in promoting northern
tourism in Toronto through our participation in
the annual sportsmen's and ski shows.

I know the members will want to hear about
Minaki Lodge's first successful season that we
have just come through.

Mr. Laughren: Your own members will ask
you questions about that.

Hon. Mr. Bernier: I am sure the members will
want to hear about Minaki Lodge. I hope they
plan to ask a lot of questions about Minaki
Lodge because I have a lot of information, and I
will be happy to share it with them.

Mr. T. P. Reid: Tell us about Ed Fahlgren.
That is your other white elephant.

Hon. Mr. Bernier: In fact, I was with the
member's brother just two days ago. He was still

high on Minaki Lodge and he is still going to find
some way to get some federal funding for
Minaki Lodge. That is how dedicated he is.

Mr. T. P. Reid: We all make mistakes.

Mr. Laughren: Does he want to pay more
public money?

Hon. Mr. Bernier: That is right. He wants to
help. He wants to be part of the action. They
want to be part of a success story, plain and
simple.

Mr. Laughren: Is that what you are saying?
More public money?

Hon. Mr. Bernier: Stephen Lewis might even
make it up there some day. We might even get
him up there some day.

Mr. Piché: We do something for the north and
this is what we get, even from members from the
north. I cannot understand it. You should be the
ones who should support Minaki Lodge. It is the
best thing that ever happened in northern
Ontario.

Mr. Chairman: Order. The minister will con-
tinue and kindly ignore the interjections. The
members will have their opportunity.

Hon. Mr. Bernier: Let me say, Mr. Chairman,
the owners and the operators of Minaki Lodge
have reason to be pleased at its performance in
its first new season. The lodge took in \$2 million
in revenue and had a 60 per cent occupancy
rate. While not quite as good as projections, I
believe its performance in its first year after
many years of absence from the market was
very satisfactory. If the members present today
have not yet visited Minaki Lodge, I urge them
to do so during the next season. When they do, I
am sure they will be as enthusiastic supporters
of Minaki Lodge as I am.

Mr. Laughren: How much does it cost to stay
there now?

Hon. Mr. Bernier: About \$80 a night. It is
cheaper than in Toronto and with all the
comforts.

Mr. Piché: At Sutton Place, it is \$110 now.

Mr. Stokes: It is almost as expensive as your
place.

Hon. Mr. Bernier: Tourism is an important
and growing sector of the northern Ontario
economy. My ministry will continue to increase
its support for the sector through assistance for
studies, tourism infrastructure, specific attrac-
tions and individual operators.

An area in which we have seen some dramatic
improvements over the past few years in north-

ern Ontario is health and social services in the north. Health facilities and services constitute essential social services and provide an indirect boost to local economic development by improving a community's chances of attracting and retaining new business and new people.

Our objectives in working with the ministries of Health and Community and Social Services are to reduce the disparities between north and south and to increase the north's self-sufficiency for those requiring basic and specialized health care, and our efforts are working.

With the introduction of a first-class air ambulance system, for which we have another \$4 million budgeted this year, the construction of 16 medical-dental centres and the increased number of dentists and doctors in the north, we have seen a change in the self-image of many of our northern communities. There is a reduction in the sense of isolation, of helplessness in the face of a medical problem, whether minor or major.

Our latest initiative with the Ministry of Health in this area was the announcement that extended care facilities with up to 20 beds would be constructed in Atikokan, Geraldton, Dryden and Smooth Rock Falls. We are awaiting a decision from the federal government on combined services for the two hospitals in Sioux Lookout before beginning planning for the committed extended care facilities in that community. There are a number of communities that are anxious for extended care facilities. We have announced approvals only for those where we have firm funding approval. When we receive further firm funding approvals, we will be in a position to make the next major step.

Mr. Laughren: You broke your promise.

Hon. Mr. Bernier: No, we have not. I might say on this particular program that the enthusiasm expressed by many of the small communities was overwhelming. As I stated in my opening remarks, I think at the estimates last year, where we had a specific amount of money we would provide funding over a five-year period. I am confident that as the program moves ahead all those communities that want them and can come up with their one sixth will have extended care services. I believe there was some problem with Chapleau coming up with its portion.

Mr. Laughren: You are talking about five years.

Hon. Mr. Bernier: I will be here in five years. In the area of health recruitment, we contin-

ued our support this year for the annual tour of community representatives who come down to southern Ontario universities to talk face to face with medical and dental students about working in the north. This is a most successful program which is paying real dividends. We also continue to provide bursaries to encourage doctors, dentists and other health and social care professionals to practise in designated underserved areas of the north.

4:10 p.m.

We did something this past spring that gives a good idea of how the ministry's program and budget flexibility allow it to move quickly to take advantage of an opportunity to help the north. A young dentist from Brechin, Ontario, who has worked in the Sioux Lookout zone for five years, phoned me to tell me the University of Toronto dentistry faculty was getting rid of some old dental chairs and stools to make room for new ones.

They were very good chairs. We were able to get 50 of these chairs and stools, which are really in good shape and quite comfortable—I know because I sat in them—and they have been delivered to 35 reserves across the north and to 15 locations in the Kenora area. We paid only the cost of transporting them; the chairs were free.

I know this is not a big deal, but it was something that needed to be done because most of those reserves had only the army field unit type of chair. We were not even acting within our jurisdiction strictly, but as I say, it was an opportunity that we felt warranted quick action.

Shifting to the area of cultural services, we have had a tremendous response to the TVOntario extension program. Some 50 communities are receiving TVO by satellite now, and a total of 170 will be on stream by the time the program is completed, probably next year. The ministry provides the dish antennas and the low power rebroadcasting equipment to these communities free of charge. TVO helps them get the licence and install the equipment.

In this past year, too, we continued our support for the arts in the north with grants to writers, painters, sculptors and artisans through the Ontario Arts Council.

As with health and social services, this type of assistance provides indirect support for economic development through community enhancement. One more channel on one's TV set may not seem like much to someone living in Toronto who is used to getting 20 or 30 stations, but if all one is used to receiving is the Canadian

Broadcasting Corp.'s northern programming, it is a welcome addition, believe me.

Mr. Stokes: Yes, especially if it comes from Newfoundland.

Hon. Mr. Bernier: It is a half hour later.

I would like to spend a little time on some of our programs through which we contribute directly to economic development and diversification in northern Ontario. The first of these is our community economic development program, which was mentioned in last year's throne speech and announced this past summer. The purpose of this program is to assist communities, particularly small single-industry communities, to identify and pursue opportunities to develop and diversify their local economies.

The community economic development program consolidates some of the advisory and financial assistance activities we had been providing and adds to them. Besides staff assistance and grants for individual projects, it provides money for opportunity studies, industrial development and community economic profile publications. To date, \$249,000 has been committed to seven communities: Atikokan, Kenora, Gore Bay, Sudbury, Timmins, West Nipissing and Hearst. Other communities which have benefited from the program or with which we have entered discussions are Sault Ste. Marie, Chapleau, Dymond township, Espanola, the North Shore Development Association, the North Clay Belt Development Association and Wawa.

Mr. Laughren: You missed Foleyet.

Hon. Mr. Bernier: I do not know if we have had discussions with them yet. I am sure we have had a lot of discussions about Foleyet, but I am not sure about the economic development. One very interesting discussion we have had is that they want to move to another constituency. The member is aware of that.

Mr. Laughren: Yes. I had the same kind of request from Hudson.

Hon. Mr. Bernier: We allocated \$750,000 to this program for the 1983-84 year.

Mr. Stokes: You do not even answer your mail.

Hon. Mr. Bernier: You write to all my staff; you don't write to me.

Mr. Chairman: The member's time will come.

Hon. Mr. Bernier: In one area of interest to many northern communities, a number of waterfront development studies were undertaken this past summer, following the publication by this ministry of the recommendations that emerged

from the very successful waterfront development seminars held in the northeast and northwest.

With the completion of these studies and the growing interest in waterfront development, pre-construction work has actually begun in several communities. The development is aimed at spurring tourism-related commercial development on commercial harbour facilities. The studies for these projects also identified sources for funds for harbour or marine development. In most cases, they pay for themselves in the long term.

In this area of economic development, I touched earlier on NORDA, the federal-provincial economic development agreement for rural northern Ontario. The direct new jobs created by NORDA by the end of March 1983 were 119 in tourism and 335 in other areas, for a total of 454. This will increase to about 550 by next year. These are mostly full-time permanent jobs created at an average cost of less than \$5,000 each.

In the employment incentives program of NORDA, a government investment of about \$2 million has levered \$8 million in private sector investment. In its third year, NORDA is realizing the goals we set for it of reaching out into the north's rural areas to tap the entrepreneurial spirit and provide incentive funding for small-scale projects for which conventional funds were not available. NORDA has proven to be an innovative and effective spur to investment in all sectors across the north. It is producing jobs and helping us achieve our objectives for economic development and diversification.

During the past year the Ministry of Northern Affairs was able to lend assistance to Sudbury region's intensive effort to seek out means of diversifying the economic base of the community. Our role was not only one of financial assistance but the type of co-ordinating, partisanship help we can bring to the north. Our job was to serve as a lead ministry in assessing projects proposed by the Sudbury job creation task forces and, where possible, to accelerate and bring forward government projects slated for Sudbury. We also contributed \$60,000 to the region to commission the development of a comprehensive industrial strategy.

We must give credit to Tom Davies, the regional chairman, the people of Sudbury, including the local member for Sudbury (Mr. Gordon) who was very helpful to this committee, other government people, the labour people, academics and the private sector, people who were able to work together as a true community to bring

forward a range of projects that are now being investigated for their feasibility.

This year is Sudbury's bicentennial and its citizens are celebrating with the pride and the spirit that helped create that great city.

Mr. Laughren: Centennial.

Hon. Mr. Bernier: Centennial? At any rate, there is a new spirit in Sudbury. I think you will agree with me there. It is important that there is a whole new attitude and new spirit, a spirit of pushing ahead with progress.

During this past year the ministry also participated in the design and delivery of the Canada-Ontario employment development program. COED was a great boon for the north. By identifying projects that could both meet the program's criteria and do some real good in the north, we contributed to the creation of 5,760 short-term jobs. In many areas, such as Manitoulin Island, the projects funded took virtually everyone off the welfare and unemployment rolls for the summer.

We also administered Ontario's own northern employment incentive program for unorganized areas, which created more than 600 short-term jobs in small and remote communities across northern Ontario. This was part of the Board of Industrial Leadership and Development job-creation program that created more than 7,500 jobs in the north during 1982.

Mr. Stokes: Short-term.

Hon. Mr. Bernier: Short-term.

I could go on and describe other areas in which the ministry is working to help the north help itself—the successful pilot projects we have funded in the areas of energy, resources and innovative sewage systems. Community development and economic development go hand in hand. An integral element of our community services work is the consistent job done by our northern affairs officers in providing information and one-window access to government services. They serve the residents of 29 northern communities. This year we are expanding our service to Nipigon and Armstrong and looking at other communities where this service could prove beneficial.

4:20 p.m.

In my remarks today, I have tried to show how the programs of my ministry bridge policy fields and interlock to promote economic development, directly through our northern community economic development program, for example, and indirectly through programs aimed at community enhancement.

With a lot of the basic infrastructure and health and social services in place, we are able to devote more time and dollars to local economic development in its pure forms. As I indicated earlier, a lot of the early groundwork that had to be done is done now in many municipalities, and the way is cleared for concerted economic development efforts in which we can act with those municipalities as facilitators to make it easier for the private sector to do what it does best, namely, to create new industry and new long-term jobs.

I would now like to look at the future of the north in terms of the role my ministry expects to play as the future unfolds. The north's vast size and diversity work against the type of uniform development that has taken place in southern Ontario. In the years ahead, my ministry will retain the budget and program flexibility to respond creatively and quickly to meet the needs and opportunities as they arise.

Mr. T. P. Reid: How about the Rainycrest Home for the Aged?

Hon. Mr. Bernier: I am pleased the member brought that up; that was approved this week-end by one of his townships. The deadlock has been broken and the 14 municipalities are now—

Mr. T. P. Reid: We still need more money.

Hon. Mr. Bernier: I think the Minister of Community and Social Services (Mr. Drea) will be up there next week to turn the sod. I hope to be there with him.

Mr. T. P. Reid: I have not been invited. That is not unusual.

Hon. Mr. Bernier: I think the member will be. That \$8-million project is moving ahead. I am sure the member is excited about it.

Mr. T. P. Reid: I am, but I would like more money for some of those hard-hit municipalities.

Hon. Mr. Bernier: We have our extended care program, which is in place.

Mr. Chairman: If the members would just avoid the interjections—

Mr. T. P. Reid: Would you keep a little order, please, Mr. Chairman?

Mr. Chairman: I have been very, shall we say, liberal.

Hon. Mr. Bernier: Advocacy, co-ordination and direct action will continue to be our main tools. In particular, we will continue to evolve our own programs, as we have for the unorganized areas where existing programs and other ministries do not answer the needs.

In the larger picture, the basic demand for the north's resources will not diminish, although we do anticipate more of the structural changes we have seen in the forest and mining sectors. Therefore, our objectives will be to contribute to measures that will enable our basic sectors to remain competitive, increase the value added in northern Ontario and diversify the economic base by developing areas such as agriculture, tourism and the small and medium-sized business sector in our northern municipalities and rural areas.

Specifically, we will be looking at the following areas. In economic development, we will encourage the development of entrepreneurship and small businesses and the training needed to make them successful. We will be trying to persuade the federal government of the need for more regionally focused agreements like the northern Ontario rural development agreement and other agreements targeted for specific sectors.

In the major resource sectors, we will continue to provide funding for the development of the mining and forest industry sectors. We will continue to support the multiple-use concept in land use to bring about a balance between development and recreational and tourism use that will benefit northern residents. We will be particularly looking to support innovative projects that strengthen the economic base and provide more jobs.

In the area of tourism, we will continue to recognize the special value of this rapidly growing sector for the north in particular. We will continue and aim to increase our support for tourism infrastructure, feasibility studies, promotional material, the development of packaged or circle tours, regional and local information centres and other activities. With the Ministry of Tourism and Recreation, we will be moving ahead with the construction of a provincial rest stop and information centre network along our major northern Ontario highways.

In agriculture, we will continue to support increased agricultural production in the north through research and development of short-season crop varieties and the adoption of farming techniques appropriate to the north. We will also encourage the substitution of imports where possible, as we are doing with seed potatoes through SPUD, our seed potato upgrading and distribution program. We also will work with the Ministry of Agriculture and Food to develop new market opportunities while continuing our support for land clearing and tile drainage

programs aimed at bringing more crop land into production.

In the field of energy, we will continue to provide funds for worthwhile small-scale pilot projects aimed at substituting indigenous fuels for oil and gas. We will encourage the Ministry of Energy to extend electrical power to remote communities, and we will monitor pricing systems for electricity in the north.

In health and social services, we will continue to support programs aimed at improving the north's self-sufficiency. In particular, we will be addressing the requirements of the elderly and other groups requiring special assistance or facilities.

In closing, I trust these remarks will give the members a good overview of the broad range of activities my ministry is involved in. Our bottom line is doing things in the north and meeting northern needs. I think we have done a good job in the past seven years. I look forward to the future and to the continuing beneficial role the Ministry of Northern Affairs can play in northern Ontario.

Mr. Van Horne: Mr. Chairman, the first thing I have to do, as the minister did, is to recognize those people who work along with me in the role I play as the Northern Affairs critic for our party. The minister made reference to his deputy ministers and assistants, many of whom are either present or were here at the beginning of his remarks. We on this side of the House have to recognize those researchers who provide us with as much information as possible regarding the affairs of the northern part of this grand province of ours.

Just as important to us are the residents of northern Ontario. Many of them have been there for a long time but a considerable number of them are more recent transplants from the south or from other provinces. They have chosen the north because of all the things it has to offer in terms of hunting, fishing, opportunities to get into a business or whatever. People such as those have come to recognize that we are not only interested but also able on many occasions to provide a voice for them if they find the government's voice or its action falling short of the mark. They are coming to us.

I do not say that to belittle the efforts of government. I think the government has tried in its own inimitable way to meet the needs of the north. It obviously felt the need some seven or eight years ago to establish this ministry because the other ministries were not able to address themselves to the specifics of the north. This

ministry was a relatively new phenomenon—an attempt by the government to meet the needs of the people in northern Ontario.

The unfortunate thing is that we see again a government that has been in power for some 40 years still struggling, if not to accommodate the needs to identify them. We witnessed in this House last week a resolution brought to us by the member from Cochrane North to establish a commissioner of northern transportation. We supported that resolution, I would remind members. I think it was observed at that time, but it bears repeating, that if there is a need, why is it that we are finding it before this Legislature in 1983? What has gone wrong over the 40 years that this Conservative government has not been able to address itself to the needs of the north?

4:30 p.m.

One final point here: I am sure the minister would admit, perhaps not in the light of day but in the darkness of an evening in Ontario, that the attempts of our party to reach out and provide a voice for the north can be witnessed in the results of a poll that came out this past summer. I do not want to dwell on that, because it might be embarrassing for the government, but there is an awareness in northern Ontario that the Ontario Liberals are alive and well, even though we have only one member, from Rainy River. We have reached out and provided the opportunity for northerners to consider an alternative view. I want that to be on the record, because a lot of people who are basically volunteer people are assisting us in this reaching out.

The final point in terms of general observations—I tried to check this before I got into the House today, and I understand it is public information—is to pay tribute to the member for Lake Nipigon, who has been in this chamber for some time.

I understand that when this particular parliament ceases the member for Lake Nipigon will not seek re-election and will pursue other interests. He is a family man; he has family commitments and obligations that he wants to catch up with. I think it is fair to say that over the years he has devoted a lot of time to this province of ours, to this chamber and to the political process. That, unfortunately, has been at the expense of his wife and family, who have had to get along without him.

He is a talented man. He has been a good member and has helped to keep the government on its toes and has helped to put a focus on northern affairs and on the Ministry of Northern

Affairs, and on occasion he has given the ministry something more than just a little jab to remind it of the needs that it has to meet in accommodating northern citizens.

Let me pay tribute to the member for Lake Nipigon on behalf of myself and the colleagues who sit with me on this side of our House. We recognize his contributions and we wish him well in whatever endeavour he pursues on leaving this chamber.

I observed in my introductory remarks that there is a need to remind the government that it has not been letter-perfect in the attention given to the north or in the addressing of the problems of the north.

The minister has given us an overview of the role of the ministry. He has indicated, I think relatively clearly—as clear as fog can be—that the lead role of the ministry covers a wide variety of responsibilities. But in many instances he has not given us too many specific references. When we get to the vote-by-vote part of the estimates process I will be asking him for specifics in the various themes he touched on.

I note too that in terms of areas of concern which we as a political party have there are some items or topics conspicuous by their absence. Let me go to these in my remarks. Unfortunately, I do not have a typewritten statement, such as the minister has. I have reference notes, and I will gladly provide him with a copy of them if there is anything that needs clarification. These are simply reference notes for me. The same is true for the Hansard people who asked earlier this afternoon whether I had a prepared statement. My statement is based on these notes, and I will gladly provide a copy of the reference notes I am using.

However, let me get into some of the specifics that I think are conspicuous by their absence. I want first to dwell on the decline of our forest resources. It is very clear that the forests in Ontario are among our most significant economic factors. Forestry and forest products have an impact on Ontario at large in that they provide some 64,000 jobs with a payroll of approximately \$1.5 billion; but in the north, the impact is much more pronounced. The forest industry accounts for 55 per cent of the manufacturing jobs in northern Ontario, 58 per cent of manufacturing wages, 57 per cent of total production and 58 per cent of value added, or a sum of \$1.8 billion. That is the impact of the forest industry on the north. Therefore, we can neither deny it nor ignore it and I am puzzled by

the minister's rather light-handed treatment in any reference to the forest industry.

Beyond that impact on the north, more than 10 communities across the north of the province are wholly, or in a majority sense, dependent on the forest industry. To safeguard northern Ontario jobs, it strikes me that the Ontario government must stop its present mining treatment—that is dig it out, ship it away and not worry about replenishment—of the forest industry.

It is our view that throughout the past three or four decades, the government mismanagement of the forestry industry has permitted the cutting of more trees than have been replaced. Therefore, many northern communities are facing imminent timber shortages. The problems in forest regeneration have been recognized and have been largely unaddressed since the early 1900s. What has been lacking has been the political will by the present government in Ontario to solve these problems.

The consequence of this neglect has been well documented in report after report. I want to go through just a few of these more recent reports and refer to at least a point or two on each of them.

Let us go back to 1975 and the Ontario Timber Revenue Task Force report, which concluded bluntly: "Given a continuance of the current level of regeneration, there is a distinct potential for timber shortages in the 1980s."

Let us move up to 1980, when the Report on Wood Fibre Supply in Northern Ontario, by F. L. C. Reed, found that in all four northern regions of the Ministry of Natural Resources the mill requirements of the integrated pulp and paper companies were larger than the permitted harvest from their own timber limits. Reed projected that the situation would worsen over the next 20 years, when the annual allowable cuts would be reduced to more realistic levels.

A September 30, 1981, federal report, called *A Forest Sector Strategy for Canada*, stated that in Ontario a reduction of the annual allowable cut had already been made and others were likely because of a failure to adequately regenerate a large proportion of forest lands cut over during the previous decade. Shortages would become more widespread in the 1980s unless forest renewal performance improved dramatically.

In February 1981, a report of the Royal Commission on the Northern Environment, entitled *The Economic Future of the Forest Products Industry in Ontario*, stated that "fibre supplies are not only insufficient to support

additional manufacturing capacity, they are inadequate to support existing capacity without major improvements in utilization."

Finally, the March 1983 report *Canada's Threatened Forests*, by the Science Council of Canada, warned, "We have been felling, selling and shipping timber for so long and at such a rate that today a \$23-billion industry is facing economic stagnation." It also stated that without sharply increased spending on reforestation over the next 20 years the harvest will decline, causing mill closings and unemployment in up to 300 forestry communities. Again, that is a Canadian report going from coast to coast, involving 300 communities.

4:40 p.m.

The total backlog of unregenerated cutover forest lands since 1971, according to our figures anyway, is over 1.4 million acres and growing at a rate of 180,000 acres per year. Of the 562,000 acres of total cutover in 1982-83, regeneration was undertaken on only 38 per cent of the land, a decline from 43 per cent in the previous year. Some 180,000 acres were left untreated, essentially written off. This unregenerated land has greatly increased from the 31,000 acres or 12 per cent of the cutover that fell into the unavailable for treatment class some 10 years ago in 1973-74.

I want to stop for a moment and anticipate that the minister might respond, if he had to right this instant, that this is a problem for the Ministry of Natural Resources and he would direct these criticisms and these comments to that minister. But I have to remind the Minister of Northern Affairs that he dwelt on the role he plays as a co-ordinator, as a lead minister, etc.

Certainly I do not think one can divorce or even separate the Ministry of Northern Affairs and the Ministry of Natural Resources when one gets into themes such as reforestation. Beyond that, I would add that the record to which I have just referred in some detail makes a mockery of the government's commitment.

Mr. Stokes: Especially when the minister presided over the problems in a previous emanation.

Mr. Van Horne: Yes, there is a rebirth, but the same problem. The government did make a commitment in 1977 through its famous, or infamous if you will, Mr. Chairman, Brampton charter. I am sure you were more than passingly interested in politics when that famous document came down the pipe.

The Brampton charter of 1977 indicated that replacing at least two trees for every one

harvested and regenerating every acre harvested was the promise of the government of Ontario. A promise made, a promise broken. Whatever happened to that famous Brampton charter? Clearly, this promise remains unfulfilled because of government mismanagement of this resource. Mills in areas such as Hearst, Chapleau, Thunder Bay, Nipigon and Atikokan, to name only a few, face serious shortages in wood supply.

It is ironic that the provincial government has chosen to designate the white pine—I am shifting into another theme here—as this province's official tree. It provides a grim reminder of the government's failed reforestation record. This tree, the white pine, which as recently as 20 years ago formed nearly one half of Ontario's sawmill output, is now so depleted as to make it an endangered species, with but one single Ontario sawmill dedicated to its harvest.

I do not want to get into a further digression by asking about some kind of competition I understand took place for the designation of this particular tree. I wonder how much that little affair may have cost. When we consider the need to restrain ourselves, we have to wonder about expenditures of that sort. If there was no money spent on that, I would be delighted to find out that it was an effort free of any cost. What was the cost, if any, of designating the white pine as the province's official tree?

Clear-cutting remains the predominant system of wood harvesting in Ontario, and in some regions virtual deserts of contiguous clear-cuts of up to 50,000 acres exist. A June 1976 government report had recommended that a clear-cut limit of 300 acres be imposed. Nevertheless, the recommended guideline was ignored because of the desire not to inconvenience the industry. Wasteful cutting practices remain unchecked by the government even though countless government studies have concluded that action must be taken to remove such waste if existing capacity is to be supported.

Current direct expenditures in Ontario on silviculture are about \$22 million, of which the federal government provides about \$1.4 million through cost-sharing agreements. An annual expenditure of about \$45 million is required to meet the wood supply target. The current annual shortfall is \$23 million.

To close the province's regeneration gap, we must double our current regeneration program from about 197,000 acres up to about 395,000 acres. Moreover, in order to reverse the continuing depletion of our forest resources, a number of government initiatives are required. These

are urgings of our party to the minister's government. They are found in various references to our party policy, if the minister wants to get into that theme. Not only I, but my colleague the member for Rainy River would gladly accommodate such a debate, but these are points which we feel should be pursued, requirements we feel should be met.

First would be the regeneration of all cutover lands and backlog of unsatisfactory restocked crown lands. This would ensure adequate supplies to meet current demands and allow future expansion. The province must double its current regeneration program and its annual silviculture expenditures if we are to meet our wood supply target.

There should be an establishment of a consistent and continuous forest species inventory.

There should be greater government funding for forest fire protection. The minister has made some reference to fire protection, but again I would like to see some more specifics.

In 1974, 1976, 1977 and again in 1980, over one million hectares of productive forest land and timber were destroyed by fire. The Ontario government's reluctant purchase of two CL-215 water bombers comes after a similar purchase was rejected at a lower cost in 1977 and after public pressure forced the cancellation of the Premier's famous executive jet. Moreover, it fails to match Quebec's air fleet of 15 such planes for forest fire suppression with, we understand, another four on order.

Another theme is research and development in support of forest renewal and intensive forest management, and increased funding for forestry schools, such as Lakehead University, which are facing severe budget cuts at a time of great demand again for silviculturists.

There should be a reduction and removal of wasteful cutting practices and the establishment of a maximum clear-cut limit in order to maximize the impact of logging on the environment.

There should be encouragement of greater utilization of allowable cuts. There is scope for increased use of hardwoods in pulping-lumber manufacturing.

Finally, they must ensure that third-party agreements are not cancelled or reduced without adequate provision being made to obtain alternative sources of supply.

I want to shift into another area which is of concern to our party and that is the development of northern agriculture. The minister did make more reference to agriculture in his opening remarks than he did to the forestry

industry, and again let me go through the reference notes I have here with a little ad libbing along the way.

We would point out, first, that northern Ontario should not have to be totally dependent on southern Ontario, or for that matter dependent on other provinces or the United States for the things that it could and should produce for itself. What we are saying in that statement is that there is a potential for agricultural development to meet some of the demands or needs of the north, a potential which has not been tapped adequately.

4:50 p.m.

Northern Ontario's agricultural potential is far greater than is at present being utilized. Of course, we feel the major obstacle to a more self-sufficient northern agricultural policy has been the lack of adequate provincial policy along with the accompanying financial incentives to develop that potential.

Northern Ontario contains over three million acres of unused crop land and it is favoured in the production of certain crops because of its climate. Moreover, the clay belt of northeastern Ontario possesses vast potential for crop production with millions of untapped arable acres of land. The potential for beef production in the north has also hardly been touched.

Let me digress for just a moment to point out to the minister that it was my pleasure to attend an agricultural conference in the spring of this year along with our critic the member for Huron-Middlesex (Mr. Riddell). We were quite impressed with the input the northern farmers made at the conference we attended in Kapuskasing.

I am a little surprised that in the minister's remarks there was no detail on the potential of sheep farming in northern Ontario. Certainly on the day when the member for Huron-Middlesex and I attended, there was considerable discussion about that potential and considerable discussion about the market for sheep in an area such as Toronto. The ethnic communities of Metro Toronto require that food commodity, lamb. I am surprised there was not some detail. As we get into the vote-by-vote, perhaps the minister can make reference to the potential for sheep farming in the north.

Going back to my notes, even though the government has announced marketing studies since 1977 to examine the question of northern agricultural development, we have yet to see the introduction of any substantial programs to develop this potential, perhaps with the excep-

tion of the SPUD program that was mentioned by the minister earlier today.

What northern farmers are hearing is statements such as the one we found in the North Bay Nugget in September of this year which quotes Mr. Ediger, the executive director of the food land development branch in the Ministry of Agriculture and Food. "As production efficiency increases, he said farmers won't need as much land to produce the same amount of food." He does not see any need for plans to open up more of the north to produce food and feed Canadians and the world.

We seem to find a problem in understanding what the representative of the Ministry of Agriculture and Food is saying in one breath and then what the Minister of Northern Affairs is saying in another. There is some kind of discrepancy in their comments.

Another observation is that northern farmers are still awaiting the introduction of the acreage improvement fund promised in the government's Board of Industrial Leadership and Development program in 1981 for the upgrading of a million acres of northern and eastern Ontario land into high-quality farm land.

They are still awaiting the so-called northern agricultural strategy promised by the Minister of Agriculture and Food in a speech at Manitoulin Island last year. Perhaps the minister could inform us as to the status of this so-called strategy.

Of course, the farmers are still awaiting the promise in the throne speech this year. I think the minister touched on it. I would have to go back to his notes. But I would like a little more detail, if he could, on the long-term development of northern agricultural resources.

We in the Ontario Liberal Party believe a northern agricultural industry must be given much more emphasis than it is being given by this present government. Programs must be initiated to assist new farmers and to encourage production diversification by established firms.

There should also be better marketing of northern agricultural products to ensure the creation of a central distribution point in the north. An immediate study is needed to determine the feasibility of a grain handling facility in Timiskaming, which has doubled the number of acres of cereal crops in the past six years to more than 50,000 acres. Increased research must be undertaken for the development of crop varieties and management practices that offset the limitations of climate and soil in the northern regions. Finally, the expansion of

available agricultural land must be achieved through a doubling of the present funds available for provincial low-interest tile drainage loans.

I will shift to another subject, one that has been ignored more often than addressed in this chamber—the province's role in the Whitedog mercury mediation dispute. This government has abdicated its moral responsibilities to the Indians of the Whitedog band whose fishing was wiped out by mercury pollution in the early 1970s. Hydro development, community relocation and industrial pollution have severely impaired the development of the Ojibway communities of Whitedog and Grassy Narrows to survive as viable economic entities.

Meanwhile, tourist operators and outfitters in the area have suffered ongoing hardship because of a controversy not of their making. The tragedy is that divisions between people and communities now run so deep that they militate against a just settlement of these matters.

It serves no one's purpose to have these matters continue to be unresolved for many years. It is fully 26 years since hydro development caused flooding in the upriver Indian communities. It has been 20 years since the community of Grassy Narrows was severely dislocated. It has been 13 years since methyl mercury pollution contaminated the fish stock throughout the English-Wabigoon river system. Fully five years have passed since mediation efforts began to redress the damage caused by these events, which were beyond the control of the native people.

It is my understanding that today, November 14, the Honourable John Munro is meeting in Ottawa to determine the position of the Reed Paper Co. and Great Lakes, who have yet to make any settlement offer. I also understand a couple of cabinet colleagues of the Minister of Northern Affairs are attending that meeting. I am not sure he wants to verify that or whether he would be able to. However, I understand both the Provincial Secretary for Resources Development (Mr. Sterling) and the Minister of Natural Resources (Mr. Pope) are attending in Ottawa with the federal minister today.

The involvement of the federal minister raises a question about the Ontario government's actions. Having facilitated the sale of the Dryden mill to Great Lakes and having provided a guaranteed ceiling of \$15 million on liabilities while picking up excess liabilities on behalf of both Reed and Great Lakes, why is the province unwilling to play any role whatsoever in seeing

the victims, the Indian communities, get compensation from the two paper companies the province has assisted?

Maybe that statement bears some altering in the light of the debate today; I do not know. However, we on this side of the House say the injustice can no longer be allowed to continue. As Justice Patrick Hartt said in 1978, "What justification for immediate government action is required here other than common decency and the restoration of human dignity?" That is the plea, the call we would make to the government.

The Acting Chairman (Mr. Barlow): Order, please. We cannot permit a demonstration of any sort in the gallery. Please refrain from doing so.

5 p.m.

Mr. Van Horne: The matter of wild rice licences is something I would like to spend a moment or two on. I would ask the minister if he could indicate what is the status of the wild rice harvesting moratorium. We got into some debate on this last year. It seems that from year to year the debate goes on. It then seems to go on to a back burner or into some back room to be forgotten until the estimates roll around another year. Would the minister please bring us up to date with that wild rice harvesting moratorium, which I understand expired on May 1 this year?

The moratorium on issuing any new wild rice licences for a period of five years was accepted in 1978 when the interim report of the Royal Commission on the Northern Environment suggested that wild rice could be a key natural resource on which to base the Indian economy if proper water control devices were constructed. The five years between 1978 and 1983 have passed. Please let us know what the situation is.

In that same statement, part of the recommendation was that the government should provide assistance, for example, by examining the influence of water control structures on the productivity of harvests by appropriate research into improved growing and harvesting methods and by necessary training programs. When we get into the dollar expenditures, I wish the minister would indicate to us the process he follows when he gets into researching.

Is all the research farmed out? How much of it is done within the ministry? How much research does he get from other ministries? How does he determine whether or not what he is getting is adequate? What cross-checks or cross-references does he have for the research the ministry does?

Going back to the recommendation on examining the influence of water control structures, I would like to ascertain whether there has been any action taken on that recommendation. If anything, the government's lack of action has hindered the Indians from developing this resource as a base of their economy.

What about new wild rice licences? Are they going to be issued before the Indians' rights to wild rice have been settled? Where are we going with that theme? Finally, what is the status of negotiations with the Indian bands and what does the government plan to do now that this moratorium has expired?

Let me go to a few other themes. In his remarks the minister did elaborate to a degree on the topic of single-resource communities. We all know that many of the economic problems that northern communities face from time to time are rooted in their dependence on single-resource industries. We know these industries are particularly prone to cyclical turn-downs as we have seen in recent years. Turn-downs, downturns, problems, whatever one wants to call them, the bottom falls out of the market and the community gets hammered.

I will digress for a moment. We all had the Sudbury example first and foremost in our minds in this last year because of the problems of the nickel industry across the North American continent. We are much aware of the problems nickel has in the auto industry, as just one example.

We have been told by the media there is a slight upturn in Sudbury. This past weekend I had occasion to be with some people from that particular community who were visiting the University of Western Ontario. I am going to digress even further and point out that one of the members of the University of Western Ontario diving team is a resident of Sudbury. He is a third-year student who has transferred to Western, an excellent athlete by the name of Larry Ross, who is doing a good job. He is attending the university as a student and diver. Also, on occasion he provides me with information and insights on the north that I might otherwise not have.

Hon. Mr. Bernier: Is he your nephew?

Mr. Van Horne: Yes, now the minister mentions it. He is a fine boy. I am very proud of Larry.

Some of his colleagues and I were chatting on the weekend. They are still concerned about the Inco situation and what might happen to Sudbury

another five or 10 years down the road if the nickel industry continues to suffer.

Mr. Wildman: Sudbury is just one example of the problem all over the north.

Mr. Van Horne: The member for Algoma has interjected that there are problems like this all over the north. We are aware of that.

Looking at the report presented in the spring of this year on the government's intention to assist single-industry communities, we think it has fallen short of the mark. From what we can see, the government is not providing much more than a counselling service or an advisory group service for these communities.

I think they are resilient enough to be able to come up with some answers. From time to time we see mayors, reeves and representatives of northern communities in the gallery. They come to Toronto to discuss their problems with the government. I am sure the government would agree that when they get down here they can come up with some legitimate suggestions.

On the other hand, I am sure there are occasions when the government's sources and resources provide insights into economics and industry that many northern communities may never have thought of. I would expect the government would provide a little more than it indicated when it made its report in June of this year. The report I am referring to is about assistance for single-industry towns, which was referred to by the minister on June 14, 1983.

Again going to the notes I have in front of me, after boasting that the ministry had for six years been providing assistance for transportation, water and sewer projects in the north, assistance which is provided as a matter of course to all municipalities in the province, the minister went on to say \$750,000 would be made available "to allow our professional staff help communities become aware of and get in touch with other government agencies providing specific industrial development support programs."

That is really the specific I would quarrel with. That statement I just read was a direct quote from the minister. To me, that is far too general. I think the government has an obligation to be much more specific when it is talking about assisting single-industry communities in the north.

5:10 p.m.

That seems to be the extent of the long-awaited community economic development program, an amount of money equal to three hours' worth of interest on the provincial debt, to

provide services. In other words, the \$750,000 the minister is talking about is nothing more or less than what it costs us in Ontario to pay the interest for three hours on our provincial debt. That is really what the minister is providing for the north and that is what we are saying is far from adequate.

Hon. Mr. Bernier: How much do you think it should be?

Mr. Van Horne: The minister is the one with the expertise.

Hon. Mr. Bernier: I want to know what you think it should be.

Mr. Van Horne: If he is saying he is going to provide a \$750,000 counselling service, I am saying that is not adequate. If he can give me specifics, then I might be able to sit down and say, "All right, those specifics should be worth \$7 million, \$8 million, \$10 million or \$20 million."

Hon. Mr. Bernier: Now that is a constructive and positive suggestion.

Mr. Van Horne: If the minister will give us the specifics, we will try to help him to put a dollar tag on them.

Beyond that, the minister makes it awkward for us on occasion because some of the in-house things he uses to help himself to come up with answers are never shared with the House. I think last year we asked the minister, and I am going to ask him again, about the in-house interministerial committee on single-resource-industry communities.

A report was done, and my understanding is that the particular committee was established some three or four years ago. It did its work, but other than statements made by the minister at random, how are we to know what is in there? Is this so secret? Is the north so secret that the minister cannot share the report with us? Did the minister by chance send over an envelope some day when I happened to be away and I never got it? Did the minister share that with us, or is it still one of his secret documents? We cannot help him if we do not know what—

Hon. Mr. Bernier: The proof is in the pudding.

Mr. Van Horne: Where is the pudding? How about sharing the pudding? The minister has the pudding. That is it there, is it?

Hon. Mr. Bernier: It is right here.

Mr. Van Horne: Let me get into one or two more themes and then turn the floor over to the member for Lake Nipigon so that he can get his remarks at least started today. He probably will not conclude because I know on occasion he is

inclined to be very detailed in his remarks and requires considerable time to do them justice.

Let me go on to one or two other themes and then I will stop. Let me ask the minister about the log-hauling situation in the north. In the fall of 1982 and the spring of 1983, there was considerable controversy. Questions were raised in the House by both opposition parties and questions were raised in the media about the status of log hauling in northern Ontario. Can the minister provide us with an update on the recommendations contained in the report of the ad hoc committee on log hauling in Ontario?

We know there was a considerable number of recommendations in that report. How many of them are being adopted? How many of those recommendations is the minister's colleague the Minister of Transportation and Communications considering bringing in through his ministry if, in fact, he is considering any of them? Again, this is a critical problem for those people who are in the forestry industry and for those travelling the roads of the north. I think something should be said by the minister before these estimates are completed.

I want to touch on another theme. My colleagues the member for Niagara Falls (Mr. Kerrio) and the member for Halton-Burlington (Mr. J. A. Reed) on many occasions have prodded the government on the renewable energy development theme. Again, I am sure the member for Lake Nipigon will want to address a few remarks to this, but let me ask a very few questions about renewable energy development.

We talked about this last year, and I stressed the need to develop the alternative energy resources which are available in the north. Northern Ontario has six viable energy sources which have unlimited potential for future development: peat, lignite, hydroelectric power, wood, uranium and, of course, wind power.

Ontario has the third largest resource of peat fuel in the world. Peat is already widely used as a fuel in Europe. I should digress again for a moment and recall the visit the minister, the member for Lake Nipigon and I made to Quebec last year. It was about this time of the year that we visited and discussed with officials of Hydro-Québec their plans for the use of peat. What has happened between that time and now? Where is that development? Where is Ontario's thinking in relation to that particular development?

Also, I understand that there is a study on the evaluation of the potential of peat in Ontario. I

would like the minister to bring us up to date on that, if he could.

We feel it is very unfortunate that Ontario Hydro has chosen to cancel its plans for the development of some 17 small hydraulic sites across this province of ours, most of them in the north. The leading site for new hydraulic generating development was Little Jackfish River, north of Lake Nipigon. Plans for this 140-megawatt, \$400-million plant were shelved in January of this year. Again, the member for Lake Nipigon will also probably be asking questions on that cancelled development.

Ontario Hydro has chosen to cancel the development of the Onakawana lignite reserve in the James Bay area. This cancellation came after years of government studies and promises that these deposits would be developed. Could the minister give us a little bit of elaboration on that? Has Ontario Hydro shared with him fully the details of that particular project and the reasons for its cancellation?

Further, reference was made in the throne speech to the fact that the Ministry of Northern Affairs would co-ordinate programs to stimulate and encourage pilot projects using peat and waste wood. Could the minister indicate how many such pilot projects have been developed, or was that reference in the throne speech just so many words?

The government response to alternative energy development in the north has been inadequate, it would seem. An all-out effort to develop these resources would not only provide the energy, but in addition would act as a great boost to the economy of northern Ontario.

I have one or two other random themes. The concern the government has on occasion—I would have to say seldom—for education in the north is one on which I would have wished the minister had elaborated in his remarks. If he is not able to do so in the next day or so, I would hope he would check with his colleague the Minister of Education (Miss Stephenson) to see just what in heaven's name this government is going to do to assist the educators and, more important, the students of northern Ontario in their studies in elementary and secondary schooling. How can they meet the demands put on them by the government with the new Ontario Schools: Intermediate/Senior curriculum guidelines for secondary school programming? What are they going to do with the post-secondary education system in northern Ontario?

5:20 p.m.

We get one report after another saying something contradictory. As the minister said in response to me just a few moments ago, the proof is in the pudding. Let me give him a little bit of pudding back from this side of the House.

Here is a statement that comes from a northern Ontario newspaper from, I believe, October 1983. I will have to check this when I conclude these remarks, because the photocopy has cut off the month of the year. The article is headed, "Ontario Is Where the Resources Are." The opening paragraph in this article reads as follows:

"What makes northern Ontario strong and prosperous? Answer: Natural resources. What makes northern Ontario's two universities"—that is, Lakehead and Laurentian—"and their mining and forestry programs in particular so unique? Answer: Proximity to these resources. Where does the provincial government want to establish a resource research centre? Answer: Why, at the University of Toronto, of course."

This sort of thing just blows the mind of any intelligent person who tries to sit down and accommodate in his or her thinking the problems that are faced in northern Ontario post-secondary institutions. How can one resolve this kind of dilemma? I do not know. I would like the minister to address some of his remarks in response to this particular problem.

Mr. Stokes: He has no clout in cabinet. Bette beat him out.

Mr. Van Horne: The member for Nipigon says the Minister of Education beat him out. This must have been quite a slugfest, because the Minister of Education is no small force to contend with, in physical size or anything else for that matter. That is perhaps unfair, because she is not here to defend herself. I am sure the Minister of Northern Affairs will apprise her of my remarks and she will come back and give me what-for in the hallway tomorrow. I just hope she stays off my bad foot.

The other observation I would like to make is with respect to the Parrott commission report on the structure for the proposed new university in northeastern Ontario. In this report, we find a certain lack of reference to the dollar problems. I just wonder what kind of debate is going on now in terms of accommodating the dollar problems of the post-secondary institutions in the north in general and specifically in this Parrott commission report. What comments can the minister give to us about the funding of post-secondary education in northern Ontario?

The whole theme of health services in northern Ontario is one that is of grave concern to us,

as I am sure it is to the minister. He talked about some of the peripheral things, such as ambulance service. I know that is critical, but in terms of the actual work going on within the hospital or within the community, I would call it peripheral. Again, I do not say that in a disparaging way.

A year ago, our party spent considerable time and effort in trying to assess the needs of the health system in Ontario—not just the north, but in Ontario—from the Quebec border to the Manitoba border, from the Great Lakes right up to the bays. We attempted to be objective and fair in the observations we made about the delivery and what is needed to improve it.

Hon. Mr. Bernier: Send me a copy.

Mr. Van Horne: Has the minister not got a copy? I find that passing strange, because a year ago other members of the cabinet were certainly quick to respond within a few days. The then Minister of Health was quick to criticize this, and others of his colleagues were quick to criticize it. I will see that he has a copy shortly.

I would like to refer to one or two of the themes we touched on in this report. One of those themes was the delivery of psychiatric assistance or care in northern communities. I have made reference to this report being a 1982 report, one presented in the summer of 1982. This past summer, in 1983, the press was quite alert and curious to find out which of these recommendations had been acted on in the course of the past year. We were sad to report that, as far as northern Ontario is concerned and the various problems we identified in northern Ontario, only three of them had received any significant attention in the north.

One area was the cancer treatment unit in Sudbury. The government was quick to jump on that and did provide some assistance. But again, and I am going by what I hear from people in Sudbury, there are still significant needs in accommodating patients from that part of the country who have cancer problems. The other two areas that were addressed in terms of recommendations in this report come from the Thunder Bay area and, I believe, from just outside Sault Ste. Marie; I would have to check the exactness of that.

One of the major themes was the need for psychiatric assistance. I could go on with the others, but in fairness, if the minister does not have the report, I will not dwell on them now. I will deal with them as we go through his dollar expenditures. But there is still a crying need for

the provision of assistance to people with psychiatric problems in northern Ontario.

I also wanted to ask very briefly why there is no more detail in so far as alternative travel methods in northern Ontario are concerned. That theme was addressed early in his comments. I had intended to make reference to studies that have been done in England, for example. If the rail service is pulling out, we are all upset. I have to tell the minister I read his remarks and the remarks of the Minister of Transportation and Communications. He indicated he was upset with the federal government and with Via Rail. I can find those comments in the October 31 issue of the publication *Background*. Both he and the Minister of Transportation and Communications are quoted.

I could offer the same criticism. That bothers me very much both as an Ontarian and as a person whose ancestors were directly involved with the rail industry. I can lay claim to an ancestor who helped to put the rail system across Canada. Sir William Cornelius Van Horne is the person to whom I make reference. I am proud of that ancestor. It bothers me that the rail service would be either cut down or cut out. Both of those things are happening in northern Ontario.

When I ask during my rambling to get more detail from the minister, let us take a look at a little clipping from the February 1983 issue of a magazine called *Mass Transit*. The article to which I am referring is headed, "When You Look at the Options You Will Find There Is No Alternative." Reference is specifically made here to Northern Ireland railways and British Rail's choice of an alternative method of transport, the BRE-Leyland rail bus.

5:30 p.m.

The minister on occasion sings the praises of the Urban Transportation Development Corp. and other of the research facilities, but is he looking at alternatives such as this? If the minister does not have this document, I will have it photocopied and share it with him. It is not necessarily the only answer, but it may be the answer for some communities that have had problems; this was the alternative British Rail and Northern Ireland found.

It is fine to take a shot at Via Rail, and I will join the minister in taking shots at it. I will also join him if he wants to take a shot at the feds because they cannot summarily dispose of the north by saying, "It is too costly; cut it out." But rather than criticizing, we have to take a positive attitude. We must point out alternatives if

Via Rail or the feds have fallen short of meeting the needs. Perhaps on occasion we members of the opposition fall short of the mark by simply criticizing, but quite often we try to point out alternatives if we find something wrong.

Here is one thing we found that could be an alternative. Let us take a look at it; let us give them a shot. At the same time let us give the people in the north an alternative to think about. We cannot talk long enough, in the few hours we have in this debate, about the problems the north faces in terms of transportation. I know those members who reside in the north and who have spent most if not all of their lives there take some things for granted. But perhaps when some things have to be changed they go by without too much criticism because it is perceived to be progress—something that just had to happen.

These are viewpoints from someone whose permanent home is not in the north; one who has to find the best way around for himself when he gets there. Sometimes I goof by not finding the best bus route or the best way of getting there; I do not have the luxury of government aircraft or things like that to move me about. Sometimes when I am dropped off in the north, I borrow cars provided through the courtesy of some of my Liberal friends in the north; they will find a car I can borrow.

But when one is stuck, one is really stuck—in spades. In southern Ontario one can usually find a way around the problem, but it is really tough in the north when one finds oneself stranded in a small community without transportation. This has happened to me on occasion.

Hon. Mr. Bernier: There are lots of good roads up there. You should bring your car up.

Mr. Van Horne: I have done that too. I have enjoyed not only the roads but also finding out what it is like to be in something other than a hotel, a motel or a private home. To accommodate that, we have camped. The first time I ran into Pancake Bay, I left in an awful hurry because the water was so cold I could hardly stand it.

Mr. Wildman: It is a beautiful area, though.

Mr. Van Horne: It certainly is. I enjoyed it.

Mr. Wildman: This year it was warm enough to swim.

Mr. Van Horne: Not only did I try to swim but we also took some wonderful pictures of some of the plants and wildlife that one simply does not find in southern Ontario. At any rate, I am getting off theme, and I do not want to make all

this sound as if I am a member of the minister's fan club. I think I should get back to the critical theme for a moment or two.

In my view, the minister has a scope as wide as any minister could want. I think there is a need for him to offer some more specifics for the north. It is fine to be the nice guy. I have not heard too many people say the minister is a nasty man or anything like that. But there are some who wonder a little bit about the attention given to whatever has to be done to be re-elected as opposed to what has to be done to accommodate the north.

I think on occasion we get a little bit concerned about the window-dressing that goes on up there. Take, for example, the little picnic for the minister up in northern Ontario this summer. I do not begrudge anyone doing that. We have our fund-raising things and so on, but I have yet to invite the cardinal to any of my fund-raising affairs or my little social gatherings. I am just curious, maybe the minister would like—

Mr. Stokes: Is that when he went to the Bernier picnic?

Mr. Van Horne: I am just wondering about that, in response to the interjection of the member for Lake Nipigon. I am sure he paid his own way up. He would not have gone up in a government aircraft, but perhaps the minister would like to give us a little more detail on the cardinal's visit. I will leave that up to the minister.

My introductory comments are at a conclusion. I ask the minister to consider my comments in the positive vein in which they were offered. We will get into specifics on the votes as they come along.

Mr. Stokes: Mr. Chairman, first of all, I would like to thank the member for London North for his complimentary remarks. When we get into estimates like this or when we deal with natural resources or anything specifically pertaining to the north, I always get involved. These are issues I feel very strongly about and will continue to do so even after I depart this place. So I want to thank the member for his kind remarks.

I also want to associate myself with the remarks made by the minister in his introductory comments about those people who sit under the gallery. They do not have an opportunity in a setting like this that they otherwise might have if these estimates were held in committee, where the proceedings are much less formal and which gives us an opportunity to

ask questions of senior personnel within the ministry. I do not know why those who order things around here always schedule these estimates for the House as opposed to, as I say, a much less formal setting in committee where we have an opportunity for a much freer exchange of opinions.

I am sure it does not make much difference to the member for London North which days we schedule these estimates, but it also has occurred to me that we always schedule them for a Monday afternoon and a Friday morning for people coming from the north. I usually try to be here five days a week, but it is passing strange that whether it is the government House leader, the member for Brant-Oxford-Norfolk (Mr. Nixon) or the member for Sudbury East (Mr. Martel), when they set about scheduling these things, they always arrange to have the Northern Affairs critics here first thing on Monday and last thing on Friday. We are always here, but personally I object.

5:40 p.m.

I also welcome the invitation by the minister to have us make constructive suggestions as to the way in which his ministry can be much more effective in terms of its responsibilities in northern Ontario, and I intend to do that. Most of my comments will be constructive, but I have always felt that one really did not have the right to criticize until one came up with a positive alternative, a better way of doing things. I intend to do that, but if by way of reinforcing my comments I become a bit negative by way of example, I am sure the House, the minister and his staff will forgive me.

I sense that in the past seven years since this ministry has been functioning in the north, at the outset we felt it was an experiment worth while trying and let us give it some time to work its way into the things that it could do much better than any other ministry, either in a leading function or as a co-ordinator or an expeditor, one that would cut out bureaucracy and red tape, and give it an opportunity to see whether or not it was a proper vehicle for the delivery of services to that part of Ontario north of the French River where we have less than one tenth of the province's population, but about five sixths of the geography.

Mr. Nixon: You pay more than one tenth of the taxes.

Mr. Stokes: I am not sure what the figures are, but every time we buy a gallon of gas or a litre of fuel oil, every time we pay anything where the

provincial sales tax applies, I know we pay a proportionately much higher rate of tax in the north than is paid in the south because, as the member well knows, the retail sales tax is based on the retail selling price of an article. There are very few things one can buy more cheaply in the north than in the south, so to that extent the member is right.

I want to say that one cannot stand still in any endeavour. One cannot reach the pinnacle and just by either sitting there or spinning one's wheels feel one is doing something useful, productive and worth while. I sense in this ministry—I was going to use the terms "apathy" and "complacency," but this ministry has done some good things. The planning of roads, for example, the work and the maintenance, was usually done by the old Department of Highways, now the Ministry of Transportation and Communications.

The funds for that and the priority setting for those activities now rests with this ministry, and I do not quarrel with who should do it. All I know is that whenever I want to get any information with regard to road projects, whenever I want to get any information about maintenance problems, I do not call this ministry. It would be futile to call this ministry because it is not on top of those things on a daily basis.

That is still the responsibility of the Ministry of Transportation and Communications. I do not quarrel about whether the millions and millions of dollars that are appropriated for new construction and maintenance fall within this ministry or the other. When we are dealing with transportation problems in the north, of necessity we have to deal with MTC on a daily basis.

There was a different thrust—the minister is wont to use that word—with regard to social services. He does get involved in the construction of extended care beds and ambulance services. When listening to the minister in his opening comments I thought it was ironic to hear him say how wonderful the services were; everything was just fine and dandy.

I wish the member for Cochrane North were here because I would like to quote from the lead editorial in the Northern Times, which I understand is published in Kapuskasing and owned, if not operated, by the member for Cochrane North. It is very convenient he is not here. I find it ironic that the minister was patting himself on the back for the forward look this ministry is taking and how it is co-ordinating all the health needs of residents of northern Ontario.

The headline is, "Air Ambulance Cuts May Cost More in Other Areas." The story reads: "It is quite reasonable for administrators to seek means of keeping expenses in check, particularly when costs are outstripping the budget. The trick is to impose cuts in the proper areas.

"The health emergency branch of the Ontario Ministry of Health found it was spending more on air ambulance services in the north than had been anticipated. To try and stay within its budget, the department ordered medical attendants not to log any overtime." That means you cannot get sick after hours.

"The measure means that hospitals evacuating patients between 8:30 p.m. and 10:30 a.m. must provide their own medical personnel to accompany the patients. They must also send along all necessary equipment. Obviously, hospitals cannot be expected to do this at no cost to them.

"In trying to live up to the expectations of its ministry, the health emergency branch is passing the buck rather than trying to come up with true cost-saving measures.

"Since hospitals get their funding from the same ministry as the air ambulance program, there is little reasoning behind the cuts. If the hospitals are able to absorb the added expense without cutting their own programs, then the air ambulance branch will have come up with a brilliant plan.

"But where this does not happen, the ministry will be asked to increase funding. It is quite possible the end result will be a greater expense for the province than if the air ambulance attendants had been permitted to continue logging overtime, or better yet, if additional personnel had been hired for the night shift."

I could go on and quote the member for Cochrane North who thinks it is a little stupid for the emergency services branch of the Ministry of Health to be cutting back, thereby putting the onus on the hospitals who in turn have to ask another section of the Ministry of Health for the necessary funds to carry on the services that are being abdicated by the emergency health branch of the Ministry of Health.

"Mr. Piché said he was planning to meet with acting Health Minister Dennis Timbrell 'immediately' to discuss the matter."

Mr. Wildman: Dennis Timbrell? He does not even know who the minister is?

Mr. Stokes: One wonders. This is his newspaper. This is his quote.

Mr. Wildman: One would think he would know who was the acting minister.

Mr. Stokes: One would wonder.

Mr. Rotenberg: He was misquoted.

Mr. Stokes: Perhaps the member for Cochrane North will get up on a point of privilege because his own newspaper has either misled the public, misquoted him or inadvertently given misinformation.

The point I am trying to make is that of late this ministry has done yeoman service in assisting in the provision of health services for the north in a variety of fields, in the recruitment of professionals and paramedics, in the provision of that excellent ambulance service and in extended care.

But when we see this kind of thing happening—and I am sure the minister must be aware it is happening; the member for Cochrane North is doing his job, I am sure he has brought this incident to the attention of the minister.

Mr. Wildman: He talked to the Minister of Agriculture and Food.

Mr. Stokes: I hope he did not talk to the Minister of Agriculture and Food about it.

Let me give another example. A week ago last Saturday, I was invited to Long Lake Indian Reserve 58, an Indian reserve on the outskirts of the town of Longlac. The night before, I attended a meeting in Nakina concerning the Nakina runthrough. That is something I want to get to. I travelled to Long Lake and about 15 minutes before the festivities, the sod-turning ceremonies, were to get under way, who shows up but the diminutive parliamentary assistant to the Minister of Northern Affairs, the member for Fort William (Mr. Hennessy), with a great big knee-length parka on and his pipe. He was there for the official opening, the sod-turning ceremony.

It is almost a \$4-million project where they are hooking up Long Lake Indian Reserve 58 for water and sewage with the township of Longlac. Most of the money came from the Department of Indian Affairs and Northern Development. About \$800,000 came from the Department of Regional Economic Expansion and about \$110,000 from this ministry. I was happy to see people there from DIAND and DREE at the federal level, and our colleague the member for Fort William.

The extent of the program on the ground was six of us gathering around the shovel to try to get it into the frozen ground.

Hon. Mr. Bernier: One shovel?

Mr. Stokes: Yes, one shovel. We were not too successful. We got a little bit of dirt and had our pictures taken. It took all of about one minute and 30 seconds. We were advised all the speech-making and laudatory comments were going to be made at the Woodlands Inn in town later on.

The chap who was representing DREE took off and away he went. The member for Fort William said, "This is just a federal boondoggle anyway," so he jumped in his car and he took off. There I was with people from the Department of Indian Affairs and Northern Development carrying the ball for all those dignitaries who came in to get their picture taken for the sod-turning ceremony.

It might sound picky even raising a matter like that in this House, but a local person such as Francesco Morelli, an excellent northern affairs officer whom I am happy to call friend—I think he is doing an excellent job on the minister's behalf—Francesco Morelli and I, a contractor and a couple of bureaucrats from Indian Affairs were there to make sure that the native people who had worked so long and hard to get this project under way and make them feel they were doing something worth while. We were there to support them and to say how appreciative we were of the work they had done on behalf of their band members.

However, it does not serve us well when we have somebody who drives 180 miles in a big car and spends one minute and 30 seconds in a little picture-taking ceremony and we are all invited over for dinner and he says, "Thanks, but no thanks." That is just not the way to do it. The minister knows how he is received if he goes into one of those northern communities and says, "I have 10 or 15 minutes, or an hour." He knows what is going to happen if he goes into Sandy Lake or North Spirit Lake or any of those communities and tells them he has 10 or 15 minutes or even an hour. They will say, "Why did you bother coming?"

That is just not the way we operate in the north. I think everybody should know that even

if the minister brings a few people up to carry the weight during the Northwestern Ontario Municipal Association conferences we have once a year, if he goes into a bearpit session and does not have more than an hour to spend with them, he knows what he is going to be told. If he goes to a joint chamber of commerce meeting in northwestern Ontario he knows what he is going to be told.

Why does the Minister of Northern Affairs not make it a point to have cabinet meetings in the north for a couple of days, maybe one in northwestern Ontario, or in the Sault Ste. Marie area, or in northeastern Ontario? It is not just a glad-handing kind of exercise, it is an exercise where people feel they are being heard, they have an opportunity to be constructive, as the minister has just offered us here in this assembly. There are so many ways we could break down the barriers of misunderstanding.

I am not being critical of any one of those ministers over there, but I am sure if the newly appointed boys were to go up to many areas where we have environmental problems or Ministry of Revenue problems it would be a whole new experience for them. Not only would the people in the north feel they were a part of this whole exercise where we spend \$23 billion a year of their money, but if we got them, the new boys along with the old boys, up there they could listen first hand to the very things the member for London North was talking about, the very things the minister was talking about. Then the people up there will believe we are truly interested in sharing their problems and concerns and coming up with constructive suggestions as to how we can improve the quality of life in northern Ontario.

On motion by Mr. Stokes, the debate was adjourned.

On motion by Hon. Mr. Wells, the committee of supply reported progress.

The House adjourned at 6 p.m.

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Samis, G. R. (Cornwall NDP)
Stokes, J. E. (Lake Nipigon NDP)
Swart, M. L. (Welland-Thorold NDP)
Sweeney, J. (Kitchener-Wilmot L)
Turner, Hon. J. M., Speaker (Peterborough PC)
Van Horne, R. G. (London North L)
Welch, Hon. R. S., Deputy Premier, Minister responsible for Women's Issues and
Minister of Energy (Brock PC)
Wells, Hon. T. L., Minister of Intergovernmental Affairs (Scarborough North PC)
Wildman, B. (Algoma NDP)



Hansard

Official Report of Debates

Legislative Assembly of Ontario

Third Session, 32nd Parliament

Tuesday, November 15, 1983

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday, November 15, 1983

The House met at 2 p.m.

Prayers.

PRESENTATION OF PETITION

Mr. Pollock: Mr. Speaker, on a point of personal privilege: Yesterday, the member for Frontenac-Addington (Mr. McEwen) delivered a petition to the Lieutenant Governor. After he delivered that petition, he made a summation in which he said he was delivering the petition because the member for Kingston and the Islands (Mr. Norton) was ill, the member for Prince Edward-Lennox (Mr. J. A. Taylor) was travelling in Saudi Arabia and the member for Hastings-Peterborough was unwilling to do so.

I would like to mention that Jim Sunstrum of Napanee called me and asked whether I would present this petition. I agreed. I asked that he deliver it to my office. That petition was never delivered to my office. I called Mr. Sunstrum again this morning and asked whether there had been some misunderstanding. He said there was not; he just did not deliver it.

I would like to know where the member for Frontenac-Addington got his information.

Mr. Speaker: That is hardly a point of privilege. You cannot ask the honourable member a question in the House. I suggest you confer with him at a later date.

Interjection.

Mr. Speaker: He did indeed correct the record.

Mr. McEwen: Mr. Speaker, on a point of privilege: I only stated the facts. I will be very happy to supply a copy of the letter to the honourable member, indicating exactly the words I repeated in the House, with the signature of the person who sent the petition to me and the letter.

Mr. Speaker: Thank you very much. That is all we are going to hear. We are not going to develop it into a debate.

FARM PROPERTY TAX

Mr. Riddell: Mr. Speaker, I rise on a point of privilege. In 1981, a major policy statement was contained in the budget regarding the reform of property taxation. In February 1982, a state-

ment was released by the Ministry of Treasury and Economics with quite a detailed discussion about property tax reform. In November 1982, property tax reform was thoroughly discussed in the estimates of the Ministry of Agriculture and Food. In 1983, the minister included in his statement at the beginning of his estimates quite a detailed comment on property tax reform.

For two and a half years, the way has been paved for the reform of property taxation in this province. Farm properties have been assessed. Numerous brochures have been printed—I had one with me, but I do not know where it is—and sent out across the province on this. Information bulletins were printed and released, all at taxpayers' expense.

With an issue so important, so controversial and so much debated in the House and in committee, I feel the privileges of this House have been breached because the Minister of Agriculture and Food (Mr. Timbrell) chose to go to a hotel in the north end of Toronto to make the announcement that he was doing a complete reversal of property tax reform rather than coming into this House and making the announcement when it has been thoroughly debated in this House and so much taxpayers' money has been spent in carrying out this property tax reform.

Even though the minister is thoroughly embarrassed by his original statement that a vast majority of farmers—

Mr. Speaker: Order. Would the honourable member please resume his seat.

Mr. Riddell:—would benefit from the reform of property taxation, why did he not have the intestinal fortitude to come into this House, admit he was wrong and tell us he was going to change his policy.

Mr. Speaker: Order. That is not a point of privilege. I suggest the member place his question to the minister, not to me. I have nothing to do with that.

Mr. Riddell: Where is he?

Mr. Speaker: You might better ask him, not me. I am not responsible for his attendance.

VISITOR

Mr. Speaker: If I may have the undivided

attention of all honourable members, I would like to introduce a guest who is sitting in the members' gallery: Mr. Walter Johnson, MLA, Saltcoats riding, who is the legislative secretary to the Minister of Agriculture for Saskatchewan.

STATEMENTS BY THE MINISTRY

ST. LAWRENCE SEAWAY ANNIVERSARY

Hon. Mr. Snow: Mr. Speaker, as you know, 1984 will be a special year in our province. Toronto will be marking its 150th birthday and Ontario its 200th with a lineup of special events and festivities. Yet there is one other anniversary next year of an important binational engineering accomplishment. I am speaking of the 25th anniversary of the St. Lawrence Seaway's opening.

Administration of the seaway is not a provincial responsibility, but my ministry has a mandate to ensure that Ontario's entire transportation network serves the whole province well, and the Great Lakes-seaway system is a vital part of that network. It is natural that its wellbeing is of great concern, a concern manifested in 1981 with the report of the provincial Great Lakes-seaway Task Force under chairman Ralph Misener.

One of its recommendations was that the people of Ontario be made more aware of the tremendous contribution the seaway makes to this province's economy. I am sure both sides of the House will agree with me that the 25th anniversary is a prime opportunity to further that awareness.

To that end, my ministry's marine and pipeline office staff commissioned the design of a logo to symbolize those two and a half decades of service. I am proud to say it has now been adopted as the international symbol for the seaway anniversary. Ports, marine associations, industries and other governments on both sides of the border will be flying the symbol.

As members can see from the copies being handed out to them now, the system's international partnership is represented by the combined American star and Canadian maple leaf. The water that flows through the locks to raise ships from the Atlantic to the highlands of Lake Superior takes the form of the number 25. Finally, to reflect the importance of shipping, the motif includes the distinctive profile of freshwater and ocean-going vessels. Both English and bilingual versions are available.

A design manual has been produced detailing the logo's correct use and reproduction in a variety of applications, from the bow of a ship to

a baseball cap. It is my intention to have my ministry play a co-ordinating role in encouraging industries, ports and associations to use the logo on their products, services and publications. I also enlist the members' support to encourage the organizations in their constituencies who have an interest in the seaway to consider using the logo design in all possible ways.

Should any members wish a copy of the design manual, they are available from the Ministry of Transportation and Communications' marine and pipeline office. Because this is an anniversary worth remembering, I believe it is important that the public be made aware of the value of the seaway to all of us in Ontario.

2:10 p.m.

TRUST COMPANIES

Hon. Mr. Elgie: Mr. Speaker, before commencing my statement, I wonder if I might draw the attention of the House to the presence in the gallery of three members of the advisory committee respecting the trust company takeover last year: Mr. Allen Lambert, former chairman of the board of the Toronto-Dominion Bank; Mr. Ainslie Shuve, who acted as chief executive officer of Crown Trust Co.; and Mr. William Potter, who is president of the Trust Companies Association of Canada.

Further to my statement of October 11, 1983, I am pleased to be able to advise the House today that I am tabling three related documents.

The first is the white paper entitled *A Proposal for Revision of Loan and Trust Corporation Legislation and Administration in Ontario*. The second is a Special Report of the Registrar of Loan and Trust Corporations concerning Crown Trust Company, Greymac Trust Company, Seaway Trust Company, Greymac Mortgage Corporation and Seaway Mortgage Corporation. The third is the Internal Review of the Administration of Loan and Trust Corporations by the ministry's financial institutions division, with a response from the division on the action it has taken in respect of matters commented upon in the review.

As some months have elapsed since many of the issues discussed in these documents were current news, I would like to make a few comments that I hope will be of assistance to members as they read the three documents.

Members will recall that on November 16, 1982, almost precisely one year ago today, I announced in this House a series of proposed steps. These were designed to deal with prob-

lems that became particularly prominent following the Cadillac Fairview sale of approximately 11,000 rental units to Greymac Credit Corp. and the subsequent flips of these units to Kilderkin Investments Ltd. and then to 50 numbered companies.

Part of my statement at that time related to concerns about the impact of the transactions on rental properties. This resulted in the passage of a rent restraint bill and the employment of Stuart D. Thom, QC, as a commissioner under the Public Inquiries Act to look into the application of the existing laws to the regulation of rents and to make recommendations on changes to eliminate or reduce any of the inequities in the present system.

Another part of my statement of a year ago related to issues arising under the Loan and Trust Corporations Act. Specifically, I drew the attention of the House to the concerns that were created by the reported sale price for the rental units rising from \$270 million to \$312.5 million and then to \$500 million in the course of the series of transactions I previously referred to.

As a result of my concerns in this regard, Mr. James A. Morrison was appointed under section 152 of the Loan and Trust Corporations Act to make a special examination and audit of the books, accounts and securities, and to inquire generally into the conduct of the business of Crown Trust Co., Greymac Trust Co., Seaway Trust Co., Greymac Mortgage Corp. and Seaway Mortgage Corp. I am sure all members are aware of Mr. Morrison's report, which I tabled in this House on July 13, 1983.

On December 21, 1982, I made a further statement in this House in relation to the Loan and Trust Corporations Act. Members may recall I pointed out at that time that I found the options available to me as minister and to the registrar appointed under the Loan and Trust Corporations Act to be inadequate to deal with the economic times and the business practices that now confront us. I reminded the House that an unnumbered bill proposing amendments to the Loan and Trust Corporations Act had been put out for discussion by my predecessor. I also pointed out that I believed the unnumbered bill did not cover the broader range of issues that were before us.

I therefore advised that we would be issuing a white paper dealing with these issues for public discussion of our proposals. At the same time, I announced our intention to proceed with certain amendments to the Loan and Trust Corporations Act which we believed were necessary

to deal with some urgent situations that required immediate attention.

Members may also recall I initiated an internal review of the operations of the financial administration division of my ministry to determine the extent to which our own procedures and administration might be at fault or inadequate in dealing with the various situations that faced us. The results of a very thorough internal review were received and led to some immediate changes in the division. I will have more to say about this later.

That is a brief outline of some of the events leading up to the initiation of the white paper and our internal review. However, as I am sure the members are aware, the issues to be dealt with by the paper and the review go beyond the situations arising out of the Cadillac Fairview sales.

In recent years, the whole world has been dealing with a wide range of economic problems that have created unprecedented volatility in financial markets. During the past three years, particular difficulties were faced by those companies specializing in long-term and fixed-rate mortgage financing. Not only did loan and trust corporations lose a significant portion of the mortgage market to the banks; they also found that their profit margins on fixed rate mortgage loans in many cases were eroded because these loans were funded with shorter-term deposits on which interest rates rose appreciably. In some cases, the rates paid on deposits exceeded the rates earned on loans.

Fortunately, as interest rates have returned to lower levels and as the industry adjusted its mortgage terms to match its terms on deposits and took other steps to correct the mismatching of funds, the situation has largely been brought under control.

This situation was not unique to loan and trust corporations. Members will recall the recent legislation that was required to restructure the administration of credit unions and caisses populaires. They will also recall the amendments to the Motor Vehicle Accident Claims Act that were introduced to deal with situations where the failure of federal casualty insurance companies left motorists and others in this province without the insurance they had purchased.

Nor was the situation unique to Canada or Ontario. More American banks have failed in 1983 to date than in any year since 1940. The US Comptroller of Currency expects that more than 50 banks will fail in the United States this

year. A similar picture emerges from the statistics on US savings and loan associations.

I realize that the American banking system is different from ours and that these statistics cannot be directly related to our financial community. I do believe, however, that they clearly indicate the difficult times faced by lending institutions in recent years.

It would appear that at the same time loan and trust corporations were having such a difficult economic time, a number of persons entered the field who did not consider themselves bound by the traditional standards of prudence and care that have historically been associated with the administration of trust funds.

It is in the context of these two major issues, uncertain and volatile economic conditions and disregard for fiduciary obligations, that the recommendations of the white paper have been made. In dealing with these issues we were mindful of the fact that the loan and trust industry as a whole has dealt with the economic problems in a responsible and effective manner. It is therefore not necessary or desirable to burden the industry with extensive new regulatory requirements. We also agreed with the observation made in the 1964 Porter Royal Commission on Banking and Finance that "regulation cannot guarantee that there will never be incompetent, negligent or even dishonest management in the financial system unless every transaction were to be investigated ahead of time and economic life brought to a complete halt."

The basic goal of the white paper, therefore, was to minimize the opportunity for careless or intended maladministration of the assets that are under the control of loan and trust corporations without creating excessive regulatory requirements. To accomplish this goal, it is proposed that certain legislative, administrative and organizational changes be made with respect to the ownership, operation and regulation of loan and trust corporations. The following is a summary of the principal proposals in the white paper:

1. As members may know, the federal white paper proposed a 10 per cent limitation on share ownership in federal loan and trust companies having deposit liabilities of \$1 billion or more. Our review of this approach failed to disclose any evidence that larger corporations—that is, corporations with deposit liabilities of \$1 billion or more—are more likely to engage in abuses of the regulatory process or of their fiduciary obligations than smaller corporations. Indeed,

the opposite would seem to be more likely, since the ownership of none of the three Ontario loan and trust corporations or the two federal mortgage companies that were subject to recent government action would have been affected by a legislative provision reflecting the federal proposal.

We have reached the conclusion that, as a general rule, the limitation of share ownership is not the appropriate measure to control the problems we have been facing. We believe this can be done much better by establishing a combination of management rules and procedures and reporting requirements and inspections that should be much more effective in obtaining compliance with the act and regulations and adherence to the fiduciary responsibilities that are so essential to the operation of a trust company.

Not only do we find that limitations on share ownership as a general rule may not produce the management results we are looking for, but also we believe that it might seriously affect the capacity, particularly of smaller corporations, to raise capital needed for growth and development.

2:20 p.m.

Thus, while the white paper proposes that the registrar should have the power to deal with specific cases where limits on share ownership may be part of an appropriate regulatory response, it is proposed that no specific limit be placed on shareholdings. The acquisition of holdings of 10 per cent or more or the increase in holdings over 10 per cent would continue to be subject to review as provided for in the amendments made last December, and this review would be enlarged so that it effectively applies not only to Ontario incorporated loan and trust corporations, as is now the case, but also to loan and trust corporations incorporated in other provinces and by the federal government.

At the same time, a greater emphasis on reporting requirements and a clearer definition of the responsibilities of directors, officers, auditors, legal advisers and management will be relied upon to deal with the potential conflict of interest situations that some persons have argued are a justification for the limitation on share ownership.

2. It is proposed that there be established within the ministry a new senior office to be known as the commissioner of financial institutions reporting directly to the minister. The commissioner should be a senior respected person in the financial, legal or accounting

community appointed for a fixed period of time by order in council. The commissioner's responsibilities would be broad and far-reaching with respect to loan and trust corporations, insurance companies, credit unions and other financial institutions regulated within the ministry. The office would combine advisory, policy and appellate functions with monitoring and evaluating roles responsive to industry and public concerns.

3. The financial institutions division of the ministry would be reorganized to create more administrative and policy development capacity and to enable the registrar of loan and trust corporations to assume the wider range of responsibilities that are created by other proposed changes. The division would also have a special unit to monitor and investigate any unusual business practices or personnel in any of the regulated financial institutions.

4. All loan and trust corporations carrying on business in Ontario, including those incorporated federally or in other provinces, would be subject to the same standards and criteria to the fullest extent that our constitutional authority allows us to impose such uniformity.

5. As previously announced, a new monthly reporting of critical financial and other indicators based on standard accounting procedures is being developed and would be required of all loan and trust corporations doing business in Ontario.

6. Minimum capital requirements would be increased and further increases in capital would only be allowed where there is a demonstrated capacity to manage it effectively. The activities of subsidiaries and holding companies that affect the operation of a loan or trust corporation would also be subject to greater control.

7. Independent audit committees and investment committees would be required and an onus would be placed on auditors and officers that is designed to ensure that remedial action is taken when required.

8. Limitations would be placed on various types of investments and the principles to be applied in valuing property for lending purposes would be specified.

9. Loan and trust corporations that have demonstrated their capabilities over a number of years would be authorized to engage in commercial lending up to an amount equivalent to 15 per cent of their assets, with limits on loans to any one borrower.

10. The registrar would be given powers to enforce the maintenance of proper borrowing

ratios, borrowing cost, matching practices and related financial safeguards by the corporations.

11. An enlarged system of appeals to the commissioner of financial institutions and to the courts is proposed to balance the increased regulatory powers of the registrar. In general, the role of the Lieutenant Governor in Council in approving letters patent, supplementary letters patent and the extraordinary remedy of taking possession and control of the assets of a corporation would remain unchanged.

We believe these proposed changes will provide the ministry and the loan and trust industry with a much clearer statement of their respective powers and responsibilities. Undoubtedly other changes might be suggested. I am sure the members opposite will wish to critically review the white paper and express their own views on the issues raised in that paper.

For that reason and also so that interested persons from the financial community and the public generally might address themselves to the issues in the paper, I propose that the white paper be referred to a committee of the Legislature for study over the winter break.

Before closing, I would like to speak briefly to the other two documents I am tabling today. The second document I mentioned is a special report of the registrar of loan and trust corporations on the five corporations. This document was prepared in order to provide a general overview of the history of recent events, both before and after the registrar took possession and control of the assets of the three Ontario corporations and the federal superintendent took control of the two federal companies.

Although the Morrison report and some of the other documents tabled in the House have shed considerable light on these events, they still remain complicated fact situations. I believe the registrar's comments will be of assistance in understanding the course of action followed by him and the government. Included as an appendix to the report is a list of the major court actions relating to these matters.

The third document tabled today is the report of the internal review of the loan and trust administration. I believe members will find that the fact this review was carried out by ministry staff has in no way compromised their ability to deal critically and openly with any shortcomings that they discovered in the financial institutions division.

Among other subjects touched on in the review, it comments on staffing levels, training and documentation of procedures. Many of the

findings resulted in immediate remedial action and further action will be taken in the course of the implementation of the white paper proposals.

The report recommends a further review of the resources available to the division. While some aspects of this are already under way, I expect the new position of commissioner of financial institutions will provide an additional view from outside of government on these matters that will be of considerable assistance in carrying out such reviews. I believe it is absolutely essential that the financial institutions of this province are administered with the highest level of efficiency and effectiveness so that they in turn can continue to function as efficiently and effectively as possible.

I realize these three documents add more paper to an already large file of material that has been made available to members of this House. It is my hope that all of this material will not only enable the members to appreciate the magnitude and complexity of the issues we are discussing, but will also enable them to understand some of the background facts that are so important to the position the government has taken. I look forward to a full discussion of these documents in committee.

ORAL QUESTIONS

TRUST COMPANY REGULATION

Mr. Peterson: Mr. Speaker, I have a question of the Premier. The Premier in his long tenure here will be familiar with the fact that in the past 15 years in this province we have had more than 10 collapses or near collapses of financial institutions. In other words, there were many distant early warnings with respect to the problems that have developed.

He will be aware that the internal review tabled today is a damning indictment, not only of the fact that the ministry had improper processes but that it did not use the powers it had under the existing act. He will also be aware that at the present time there is more than \$500 million of the public's money paid out through the Canada Deposit Insurance Corp., and God knows how many legal and professional fees, in trying to sort out this mess.

Can the Premier say why it is the processes were not in place to have prevented the collapse that caused this great calamity?

Hon. Mr. Davis: Mr. Speaker, I think the Leader of the Opposition is indulging in rhetoric to a modest degree. We have discussed for several months in the past and I think it is

obvious—if not to him, to members of the public—that the minister and the ministry have reacted to this problem in a very positive, constructive way.

Their actions have retained the financial credibility of the industry and were supported by members of the industry, some of whom have advised this member on occasion. I believe the minister and his colleagues in the ministry deserve a great deal of credit for the way in which they reacted to a difficult situation.

2:30 p.m.

I should also point out to the Leader of the Opposition that when he tries to draw parallels between situations that have occurred over a large number of years, if he analyses them correctly they are not all the same. The circumstances were different, as I recall them, in almost every individual case.

I would say that relative to other jurisdictions, places where the same level of financial or business activity in this industry is carried on, the reputation of this province is as great as it ever was. I think it is fair to state that for people knowledgeable in the industry the reputation of the industry in this province is probably unequalled anywhere in North America.

I know that is not the kind of thing the Leader of the Opposition will attempt to convey to the public generally. I recall very well his observations, not only about existing legislation but about new legislation we should have, which advice I listened to and then he voted against. I recall those discussions very vividly, and some of his points of view expressed at that time.

I say without hesitation I have total confidence in the capacity of the minister and in the way he has handled this difficult issue, in a way which has done credit to him and to the industry with which he co-operated in finding the solution to this difficult problem. I reiterate that the proof is there. The reputation of the industry for integrity in this province is still among the highest one will find anywhere.

Mr. Peterson: I remind the first minister he had total confidence in the present minister's predecessor, the member for London South (Mr. Walker), who assured us he had the systems in place so that this would not happen again. Presumably he had the same kind of confidence in the previous succession of ministers who were involved in similar kinds of collapses that sent off signals to anyone concerned that there was going to be a major problem in this province.

Why did the government, of which he is the head and of which he has been Premier for over a decade now, not address this problem before it happened rather than after it happened? Why was he not impressed by all the warnings that there was a serious problem that had to be addressed? Why was he the last one to be aware that this problem was bound to develop without competent regulators and without proper legislation in this province?

Hon. Mr. Davis: I think it is also important for the Leader of the Opposition, because he is so knowledgeable in this field, to understand that no degree of regulation or legislation will preclude in its entirety the matters we have experienced. No legislation is going to make it impossible for those who wish to get around the imposed regulations or the system to make those determinations.

Mr. Peterson: It was obvious what they were doing. Why did the Premier not know when everybody else did?

Hon. Mr. Davis: It may have been obvious. I know the Leader of the Opposition came in and told me he had heard rumours about Seaway, etc. I asked him for specifics, and I am not being critical—

Mr. Peterson: I gave specifics every day in this House and the Premier denied them.

Hon. Mr. Davis: Oh, come on. This was well before that and the member knows it. I say to the Leader of the Opposition that his posture on this issue, his consistency, which is really inconsistent, puts him in a very delicate position. He sat there and voted against the very legislation he recommended in my office and we introduced. He did not support it. He had no concern whatsoever about the depositors. He was interested only in playing party politics.

Mr. Peterson: On a point of privilege, Mr. Speaker: I am not sensitive about the Premier's personal insults. He can get away with them if he wants to, but I understand there is a rule in this House that members are not allowed to impute motives to other members.

Due to the seriousness of this issue, and because you have the ultimate political player sitting opposite hurling this insult, in the interests of decorum in this House you should ask the Premier to withdraw.

Hon. Mr. Davis: Mr. Speaker, I have no reservations at all about withdrawing anything that has pricked the conscience of the Leader of the Opposition. Whatever it is that has upset

him, if he would communicate it to Hansard I will, without hesitation, withdraw it.

The only thing I would suggest is that he reread Hansard and reread what he has said about the present minister responsible and wonder whether he might not withdraw some of those observations.

Mr. Conway: On the point of order, Mr. Speaker, I would ask you to review the Hansard with a view to taking into account, in my view, the very legitimate point raised by the Leader of the Opposition about the clear imputation of motive by the first minister and report back to this House at your earliest convenience to see that the standing orders were not abridged.

Mr. Speaker: I do not think there is anything to report back on. The Premier did, in fact, withdraw his remarks.

Mr. Rae: We have always taken the view, Mr. Speaker, that the Leader of the Opposition is not a party politician, so I would hope the Premier would withdraw the use of that term.

The question I have for the Premier is simply this—

Interjections.

Mr. Speaker: Order. The member for York South has the floor.

Mr. Rae: I obviously touched a sensitive chord.

Mr. Conway: Pucker up, Bobby.

Mr. Rae: Bless you, my son.

Mr. Speaker: Order.

Mr. Rae: The fact of the matter is, as has been laid out in the reports that have been tabled today by the Minister of Consumer and Commercial Relations (Mr. Elgie), the government knew in 1981 specifically with respect to serious problems with Seaway and certainly knew of similar problems—and these problems again are documented in both the reports that have been tabled today—in 1982 with respect to Greymac.

Yet at the same time these problems were being identified additional capital was being authorized by order in council as late as September 1982, a very few short months prior to the seizure of the assets of these companies by the government of Ontario. These are not questions of street rumours. These are not questions of matters of hearsay. These are questions that were documented by the registrar and identified by the registrar and by the government.

Is the Premier prepared to at least establish

an independent commission to inquire as to how in the name of goodness it was possible for the cabinet of this province to authorize by order in council increases in the working capital of these companies at the very same time as they were being identified as having serious problems, as the management of those companies was being seriously questioned by the registrar and questions were being asked as to the bona fides of the directors and principals of those companies?

Mr. Foulds: An excellent question.

Hon. Mr. Davis: Mr. Speaker, a member across the floor said, "An excellent question." I think somebody observed several months ago that it was a very fair question to ask and I would only suggest to the leader of the New Democratic Party that he carefully review Hansard and he will find a very appropriate answer from the minister as it relates exactly to that same question.

Mr. Peterson: I have a question for the Premier as to the internal review that has been tabled today and was available on June 14. He has had it in his ministry and in his cabinet chambers for the last five months. He decided to release it today and for that we are grateful.

He will be aware that in that report the examiner looks at the inadequacy of many of the provisions of enforcement and the processes used by the ministry. He will also be aware that there are a number of judgements which could have been made by certain people, although ultimately the responsibility is the minister's, that were clearly just wrong in the circumstances. For example, there are quotes indicating that with hindsight we should have done different things. There were so many errors of judgement demonstrated in this report.

2:40 p.m.

Would the Premier agree to have an external review of this matter? Obviously, the author of this report did not identify those people who made the errors of judgement. If he is not going to identify them or the Premier is not, all we can do is hold the minister, his predecessor and/or the Premier responsible.

Hon. Mr. Davis: The Leader of the Opposition will try to hold somebody responsible for whatever happens. I understand that.

Mr. T. P. Reid: It is the way the system works—

Hon. Mr. Davis: I am not being critical. Do not be so sensitive.

Mr. T. P. Reid: —or is supposed to.

Hon. Mr. Davis: That is right.

In relation to the report of the internal review, no one is going to argue that people do not have the responsibility to exercise judgement. We are all blessed with hindsight, even the Leader of the Opposition. One can question whether or not proper judgements were made. But if the Leader of the Opposition wants to get at certain personalities, I do not know them. I know one or two of the people who have been there for some time. I do not say the present registrar represents perfection. Very few people represent perfection. The member for Renfrew North (Mr. Conway) feels he does, but not too many of us do. But he is a very conscientious, honest, dedicated, loyal and competent public servant. I am referring to the registrar, not that member.

Mr. Speaker: New question; the Leader of the Opposition.

Mr. Peterson: Mr. Speaker, the Premier is again going to take us on a merry-go-round always blaming someone else, or at least not identifying the source of it.

Mr. Speaker: Question, please.

Mr. Peterson: The question is, who is responsible for this?

TRUST COMPANY LICENCES

Mr. Peterson: Mr. Speaker, I have a question for the Minister of Consumer and Commercial Relations, the minister in charge of regulating trust companies. Presumably, he was personally involved in a number of judgements that had to be made with respect to the renewing of licences.

He will recall that Greymac Trust was on a monthly licence. Then just four, five or six days before the great Cadillac Fairview flip, the company was granted an extended licence. To refresh his memory, he was asked about that in the House and he said he did not really have the power to grant only a monthly licence. Therefore, he had to grant Greymac its licence for an extended period of time. At the same time, he was holding up the licence of Seaway, which was on a monthly or quarterly licence renewal.

Obviously, the minister used two different standards. In one case, he said he did not have the power. In the other case, he seized the power, at the very least, and granted a short-term licence. Presumably, the minister made the decision or at least he was aware of it. Why

would he use two different standards in that case? Why was he not at that point aware of the goings on in Greymac Trust?

Hon. Mr. Elgie: Mr. Speaker, the matter of what we were or were not aware of with respect to what was going on in Greymac Trust is clearly documented in the information that has been tabled in this House and given to the member today.

When we introduced legislation on December 21, 1982, to deal with matters we felt we did not have the existing adequate power to deal with, it was made very clear to me by a number of members of the opposition I spoke to that the registrar must have certain unrestricted powers because those things, it was said, should be in the hands of the registrar.

The issue of dealing with renewals is a matter which the registrar deals with. Certainly, I am made aware of his decisions, and if I did not agree with him, I would let him know. But I have the utmost confidence in that registrar and I affirm here what the Premier has said about the particular man the member must be talking about. I find him to be a dedicated, committed public servant of whom we should have every reason to be proud. The fact that he is being mentioned does the member no credit. I say that sincerely.

Let me now get to the issue of the renewal of Greymac Credit's licence. Greymac Credit was put on a month-to-month licence, even though there was no statutory base for so doing. Similarly, Seaway was put on a month-to-month licence, having previously been on a quarterly licence, again without statutory base but without objection by the party.

Towards the end of October, objections with respect to our legislative base were made. In addition, a lengthy letter was written to Greymac Trust and to Mr. Hammond, the superintendent of insurance in Ottawa, with respect to the reissuing of the licence. It was made clear that certain things had to be done by that company. Mr. Wexler signed on behalf of Greymac Trust, indicating they would do those things. In light of those two facts, the licence was renewed.

In addition, as the member knows from reading the documents, the Canada Deposit Insurance Corp., the federal superintendent and our registrar had already put in motion a team of investigators to review the valuations being carried out on those companies, so anybody was far but satisfied. That is in the records the member has before him. We have been

extremely open about it. That is what he should be commenting on.

Mr. Peterson: I should give the minister credit because Greymac and Seaway were satisfied. Is that what he is asking me for?

We have asked about the responsibility for this thing. The minister has launched a major defence of the registrar under whose jurisdiction all these judgements were made. If the minister has complete faith in the competence and ability of the registrar, who then was responsible for this litany of incompetent and wrong judgements that were made for at least two years? If he is not responsible, who is?

Hon. Mr. Elgie: Let me just say that in his report Mr. Morrison commented upon the almost daily monitoring activities, conversations and dealings with the companies that were going on. We are not talking here about a situation where a registrar and his staff were not deeply involved in and deeply concerned with the issues before them. That is not the issue here today.

I have also indicated very clearly that these are matters that are to be tabled. They may be discussed when the committee meets during the winter break. If the member has the desire to do so, he has all the time in the world to question those involved who made those decisions.

They were operating under a mandate that had been approved by the most recent royal commission on this issue, the 1969 royal commission, in which the commissioner clearly stated that backsliding by one or two companies did not justify a change in the ordinary and regular examination routines that were being carried out.

What I am saying today is that with the bill of December 21, 1982, we changed that stance and we are going against the advice of that royal commission. We are now clearly in an enforcement and investigative mode. I am afraid that is the way it is going to be, whether the Leader of the Opposition likes it or not.

Mr. Rae: Mr. Speaker, the minister has said Greymac challenged the authority of the ministry to put them on a one-month leash. What was the nature of that challenge? If there was a challenge in October and the minister had concerns which are documented here in paragraph after paragraph with respect to the operations of these companies, as soon as there was any kind of challenge issued, why did the minister not come to the Legislature right away and say, "We need the authority to be able to

deal with these people because we do not trust them”?

Hon. Mr. Elgie: I do not think there is anything easier than driving forward looking through a rearview mirror. That is the kind of trip the member enjoys. We all understand that. But as he drifts around on the Good Ship Lollipop, let us acknowledge that within a matter of days from that decision, while other investigative procedures were already in place, we were confronted with the Cadillac Fairview transaction, as it is called, and Mr. Morrison's investigation and other investigations superseded any other type of change for that time. But as soon as it became apparent that changes were needed, they were brought before this House.

Mr. Peterson: I refer the minister to the debate in the House on Thursday, June 11, 1981, when his predecessor referred to a number of improvements in the regulatory system. He talked about more extensive internal communication, many joint meetings, new systems in place for capturing potential problems and bringing them to the attention of top management and an early warning system he kept in place for two months, I gather, which then disappeared. All the assurances we had from the minister at that time have turned out for naught.

As the minister recalls, Mr. Thompson, who is in charge of those matters, did not file annual reports for a couple of years. His annual reports, talking about these very issues, were not even brought forward, presumably to the minister or at least to this Legislature, so anybody could know what was going on. That man did not choose to share that information.

Now it is also obvious that he chose not to act on the instructions of the previous minister. How can we have any assurances now that the laws of this land as they currently exist with respect to the regulation of trust companies are being enforced?

2:50 p.m.

Hon. Mr. Elgie: I think it is fair to say there was improvement in the communications between the various divisions of the ministry, as the minister announced at that time.

What we are saying now is that even that process clearly does not meet the kind of circumstances that we are confronted with in a variety of situations, as outlined clearly in the white paper and in the documents before the members. With those proposed legislative changes and with the changes recommended in the internal review, we feel regulators can compe-

tently cope with the new kind of environment they are facing.

FINANCIAL INSTITUTIONS DIVISION INTERNAL REVIEW

Mr. Rae: Mr. Speaker, I wonder if the Minister of Consumer and Commercial Relations can tell us why the internal review bears the date June 14, 1983, and why it has taken the minister all this time to let the public and this Legislature have a look at this internal review of what has happened with respect to these companies.

Hon. Mr. Elgie: Mr. Speaker, first, the internal review was received in late June following printing. The Morrison report had not yet been received. A review of that report, the internal review and the Morrison report, was carried out and, as I have said on many occasions, a final determination as to whether or not there should be an external review was not made by me until some time last month. That is the reason it seemed appropriate to me to table them all at this time.

Does the member see anything wrong with tabling three documents for open consideration by this Legislature of the issues? I do not. I call it open and responsible government.

Mr. Rae: I call it a five-month coverup. That is exactly what it is. The minister had this document for five months—

Mr. Speaker: Question, please.

Mr. Rae: —and he was not prepared to release it to the public and the Legislature as he said he would do as soon as it was available.

Specifically, I would like to ask the minister a question with respect to this document. The document refers to the need for an establishment of an early warning system. I would like to ask the minister to cast his mind back, if he would, to statements that were made by his colleague, who is now Provincial Secretary for Justice (Mr. Walker), who indicated to the House and to committees as long ago as 1981 that there was a system of red-flagging in place in the division which would prevent the recurrence of any difficulties such as happened before 1981 with respect to Astra Trust and the mortgage companies.

I would like to ask the current minister what in the name of goodness is going on if it takes an internal review to say we need an early warning system when it was identified and supposed to have been put in place by his government two-and-a-half or three years before.

Hon. Mr. Elgie: First, I want to thank the member for raising the question once again. What I have said clearly is that the previous minister did indicate to the House that some improvements had taken place with respect to red-flagging. That is hardly the issue that is before us in this situation, nor is it discussed in that document.

I would say very clearly that to say there was anything inaccurate in what he said is not so.

Mr. Peterson: On page 17 of the report, with respect to the distant early warning system, it says, "This system was operative for two months, February and March. It was successful in identifying companies requiring prompt attention. However, the need to conduct annual examinations made it necessary to redirect staff, thereby discontinuing the system."

The system promised by the minister's predecessor was in place for two months and then it was dismantled, presumably because of inadequate resources, and we did not catch this system. Why was not that system maintained? If it is so great now, why was it not great then?

Hon. Mr. Elgie: With respect, I think the member will find, as I am advised by the registrar, that the system they are testing out now on a pilot project basis is a system that has been set up in consultation and with advice from members of the industry. It is not the same system at all.

Mr. Rae: I would like to ask the minister whether he was personally interviewed by Mr. Tocher or the members of his task force with regard to this so-called internal review of the situation. Was the minister ever examined or cross-examined in any way by the task force?

Hon. Mr. Elgie: No, I was not; nor did I suggest I would not be available; nor was I asked any questions; nor do I think I would have anything to add to what he has done.

Mr. Rae: In the very brief lockup we were afforded with Mr. Crosbie, Mr. Tocher and other officials, Mr. Tocher indicated that not only was the minister not asked any questions with respect to the conduct of the department, but neither was the deputy minister, and neither the minister nor the deputy minister were asked any questions whatsoever about the decisions that were made with respect to Seaway and Greymac and the decisions to increase the amount of authorized capital, the decisions that were made and are documented in the registrar's report.

We still do not have an independent assess-

ment of the decisions that were made. I would simply like to go back to the minister and ask him this. The internal review has not dealt with it; the registrar's report has not dealt with it; Mr. Morrison's inquiry did not focus on the issue. Why is the minister so reluctant to establish an independent inquiry into the decisions that were made with respect to Seaway and Greymac so that people can be held responsible for things that happened and a degree of political responsibility can be assigned for this colossal mismanagement of literally hundreds of millions of people's money?

Hon. Mr. Elgie: First of all, I cannot accept the member's view—and I suspect it really is not his view—that there was any colossal mismanagement. I think what we have seen is a government responding with an aggressive, appropriate action that has resulted in retention of public confidence in the institutions that are so valuable to this country and with total protection of public depositors who are at arm's length in the situation.

I do not agree with the member at all that there is any catastrophe or disaster. I think we have demonstrated the kind of leadership that has to be demonstrated when we are faced with situations such as we are dealing with here. Mr. Tocher's decision not to interview me, for example, was his decision. Surely the member is not of the view that I should have intervened and indicated whom he should or should not talk to.

That was his decision, and I accept the report as an independent appraisal of the matters before him and the matters before the government. That is a report which is now made public. It is a report all of us in this Legislature will have the right to review and ask questions about when the matter is before committee. If this is not responding with openness and with detailed information, I do not know what is.

Mr. Rae: Mr. Tocher has been an employee of the minister's ministry for 11 years. Is the minister seriously arguing that his definition of an independent inquiry into what has happened over the last three years in that industry consists of a report in which there is no cross-examination under oath, in which there is no ability to subpoena documents, in which there is no ability to question officers of the cabinet about cabinet decisions that have been made, and where the Premier (Mr. Davis) has not been cross-examined under oath, nor have the minister, the deputy minister, the registrar or any other individual responsible for these decisions?

Hon. Mr. Elgie: I think it is a very effective evaluation carried out by a very competent group of people not directly involved in the institutional group they were evaluating, and coming out with a report I think even the member has to say is remarkably objective.

Mr. Peterson: Mr. Speaker, the whole focus of the response of the minister, and indeed of the Premier, is: "Aren't we clever boys? Didn't we handle this well? We kept confidence in the industry." That is not the issue. The issue is that this is the greatest regulatory failure in the history of this province. There were lots of early warnings and it could have been prevented had the minister and his ministry been on the job two or three years earlier. This is the issue, not how clever the minister was at sneaking around with legislation in this House, expropriating property with no due process and all that kind of thing.

I want the minister to be very clear on what the issue is, the point raised by the leader of the New Democratic Party and by me is this. Neither of us is satisfied with this internal review. It is too fishy; it is too cooked-up. Neither of us is satisfied we had an independent look. We have a list of some of the problems and the inadequate processes. We still do not know why it happened and we should know. We were given assurances many times in the past that it would not happen again, and it did happen. Why will the minister not now have an independent inquiry, an external review or, indeed, a royal commission inquiry into this entire mess? No one is satisfied with his answers at this point.

3 p.m.

Hon. Mr. Elgie: First, Mr. Speaker, I take umbrage at one particular remark, "sneaking around with new legislation." I presume the honourable member is referring to a meeting with supposedly responsible leaders of the two opposition parties to discuss a need for certain legislation. Is that what he meant by sneaking around? If that is sneaking around, he has a strange view of the public interest role that we play in this House.

Mr. Roy: Talk about the breach of natural justice.

Hon. Mr. Walker: Is it a breach of natural justice to talk to the leaders of the opposition parties?

Mr. Speaker: Order.

Hon. Mr. Elgie: I think a careful internal review in conjunction with the registrar's special report cannot help but lead any thoughtful

independent observer to the fact that there is a complete review and history of all the processes that were in place and all the things that happened. I think the House has been ably served by those who prepared those documents.

Mr. Rae: Let there be no doubt, the internal review is a damning indictment of the ministry and of what happened. The difficulty with the internal review is that no one is held politically responsible for what has happened. Who does the minister think is responsible for what happened, given the damning indictment that the documentation standards were inadequate, that field examinations were inadequate, that there was the lack of an early warning system—item after item that has been documented in the internal review? Who is responsible?

Hon. Mr. Elgie: I have tried to suggest in my statement, and I am sure the authors of the documents tried as they described what we wished them to say, that regulators responding to admonitions as recently as a 1969 royal commission inquiry with respect to their role had been examining and monitoring under, let us call it a "gentleman's agreement" arrangement, or "moral suasion" as others might call it, and assuming that those who had fiduciary responsibilities would continue to act responsibly.

That clearly was not the case. It was recognized by me not to be the case, and it was recognized that there needed to be a total change in the way these matters were approached. That change was heralded by the legislation of December 21, 1982. Those changes are now in place and that mode is now in place.

HOSPITAL BEDS

Mr. Roy: Mr. Speaker, I have a question of the acting Minister of Health. The minister will recall that on a number of occasions over the past year we have raised the matter of a lack of active treatment beds in Ottawa-Carleton. We told his predecessor, the member for St. Andrew-St. Patrick (Mr. Grossman), that in two cases people died before they were given the opportunity to have active care beds in Ottawa-Carleton. The minister's predecessor said last June he would investigate this matter.

Would this minister advise me what I should say to a constituent I called last night? He told me that on October 5 he was diagnosed as having a lung tumour. On speaking to his doctor he was told that he required early corrective measures and, if necessary, surgery. Five weeks later he is still unable to get a bed at the Ottawa General Hospital.

Will the minister undertake at least to investigate this matter to allow Mr. Edgar McWilliams to have a bed so he can get the proper treatment? Second, can the minister advise what has happened to his predecessor's investigation as to the necessity of additional active treatment beds for Ottawa-Carleton? Also, will he let the Ottawa General Hospital proceed with its plan to construct 80 additional beds?

Hon. Mr. Wells: Mr. Speaker, I am sure a bed will be found for a person any place in this province where there is an emergency.

Hon. Mr. Grossman: The law requires it.

Hon. Mr. Wells: The law requires it. I am sure many members here have been faced with this problem with their constituents. We have been able to work, not through this Legislature but with the community hospital boards and administrators in our own areas, to assist such persons to get beds. The law requires that they get them. If an emergency occurs I do not know of a hospital in this province that will not take care of the situation.

Mr. Roy: What do you say to this man if it is not an emergency?

Hon. Mr. Wells: I do not know the specifics of that situation, but I would suggest the situation could and should be taken care of in that particular area.

Mr. Sweeney: Mr. Speaker, I have a supplementary to the same minister on the same issue. I am referring to the Kitchener-Waterloo Hospital in my community. I would advise the minister that on October 5 seven patients had to have their surgery cancelled because there were no active treatment beds. A couple of weeks later, on October 25, two patients with serious chest pains had to wait for several hours before they could be admitted to the coronary unit. Is the minister aware that the single most serious cause of active bed shortages in our community, and I suspect in many others, is the lack of nursing home beds and chronic care beds?

In the Kitchener-Waterloo Hospital there are 58 patients occupying active treatment beds who are awaiting transfer to nursing home beds or chronic care beds. Is the acting minister prepared to go back to his cabinet colleagues and rescind a decision made by the member for Kingston and the Islands (Mr. Norton) in September of this year which denied the request of the district health council for additional chronic care beds in the Kitchener-Waterloo area? I remind the minister that the people in my

community consider it a very uneconomic restraint program to deny these kinds of beds when there is such a dramatic and serious shortage of active treatment beds.

Hon. Mr. Wells: Mr. Speaker, in the allocation process we are discussing the whole matter of chronic care and nursing home bed allocations. Beds are being allocated in a number of areas of the province now. I will be glad to look into the matter of the letter. I am just acting for the minister. He must have had good reason to write that letter. I will look into it. I do not know anything about it at the moment.

Mr. Cooke: Mr. Speaker, does the minister not realize that the backup which occurs in active treatment beds is because people are waiting to get chronic care, chronic care people are waiting to get into nursing homes, and people who are in nursing homes who could be out in the community do not have the support services that should be available? Until this government provides those support services and alternatives there will continue to be a backup in the hospitals of this province. When is the minister going to act at the lower levels of care to alleviate the active treatment bed problem?

Hon. Mr. Wells: Mr. Speaker, my impression is that we are acting in that area now.

EMPLOYEE HEALTH AND SAFETY

Mr. Wildman: Mr. Speaker, I have a question for the Minister of Labour. Can the minister explain to the House his reaction to the position of the health care sector unions that have characterized the proposed occupational health and safety regulations as nonregulation of health care facilities which could more accurately be described as a rather incomplete inventory of hazards in the health care field?

The unions see these draft regulations as no more than statements of intent which list existing problems and which do not spell out solutions or ways of implementing them. For instance, section 112 of the regulations reads, "Biological or chemical hazards that may endanger the health and safety of a worker shall be handled under controlled conditions." Does the minister not agree that by proposing such regulations the ministry is abdicating its responsibility to specify what these hazards are and how they will be controlled?

Hon. Mr. Ramsay: Mr. Speaker, we are involved here in a consultative process. I have in my possession the letter the honourable member is referring to. The letter has been passed on

to the appropriate officials in my ministry. We are looking at the advice that has been offered in that letter with considerable care and concern. We will do the same with any other letter we receive. There have been others received in addition to that one with respect to the regulations.

We are very open about it. I do not see any problem in trying to resolve the matter. We also will be holding meetings to discuss the matters further. We are very anxious to co-operate in every way.

3:10 p.m.

Mr. Wildman: I was not referring to a specific letter, but I suppose the one the minister is referring to is the one from the Ottawa Civic Hospital union, the Canadian Union of Public Employees local. I realize he has received other letters as well.

Considering what the minister has said, does he agree with the statements made by CUPE locals and other health care sector unions that since these draft regulations are so vague in general, they are almost meaningless and unenforceable? If he does, will he withdraw them and appoint a task force of ministry and labour representatives to redraft regulations and to hold public hearings—not just meetings but public hearings—across the province to get input from both management and labour in the health care field?

Hon. Mr. Ramsay: That is being considered. I can only repeat what I said earlier. It is all part of the consultative process. We are not locked into anything. We have not made our minds up on anything. We are anxious to get input. We solicit advice from all areas, and we will be holding tripartite meetings involving union, management and government. We are very anxious to address the concerns the member has brought forward as well as the concerns that have been brought to my attention in various letters.

FOOTBALL TELEVISION COVERAGE

Mr. Kerr: Mr. Speaker, I have a question for the Minister of Tourism and Recreation. In view of the fact that the commissioner of the Canadian Football League plans to deny the general public in southern Ontario TV access to the Hamilton-Toronto final football game this coming weekend, notwithstanding a sellout crowd, does the minister feel the same public should be subsidizing a new domed stadium for such events?

Hon. Mr. Baetz: Mr. Speaker, I think the substantive part of the question does not fall within my jurisdiction. I do not have jurisdiction as to whether or not there are blackouts. Personally, however, I must say that I deeply regret the fact that there is this TV blackout. I say that in spite of the fact of what the Tiger-Cats did to us in Ottawa last Sunday. I think everybody should have the chance to see this great game. It is a sellout. There are many people—shut-ins, the elderly and people who perhaps cannot afford the price of admission—who should also be able to see this magnificent event that is coming up this weekend. But I just think it is beyond my jurisdiction.

Mr. Kerr: I just want to say that I will tell my constituents what the minister has said, including my two illustrious constituents Messrs. Sazio and Gaudaur.

CONTRACT TENDERS

Mr. Conway: Mr. Speaker, I have a question for the Minister of Industry and Trade. I know he will be shocked to have a question put to him since he now occupies an apparently less influential position over there. But to you, Frank, a question.

Interjection

Mr. Speaker: Use the minister's title, please.

Mr. Conway: Pardon me. The minister's in-law over here reminds me of the correct appellation.

In recent weeks, in the course of his ministerial responsibilities, has the Minister of Industry and Trade had the opportunity to look at any contracts that were let by his predecessor the member for London South (Mr. Walker) to Matrix Communications and Donald R. Martyn and Associates? Has the minister had the opportunity in the recent past to inquire after and to see those contracts, which were the subject of a Canadian Press report some four weeks ago and about which there has been an ongoing debate in this chamber?

Hon. F. S. Miller: No, Mr. Speaker.

Mr. Conway: Given the remarkable revelation yesterday, that the minister's colleague the Chairman of Management Board (Mr. McCague) incredibly does not see it as his responsibility to oversee the enforcement of the Manual of Administration, can the Minister of Industry and Trade explain why he has not gone out to find those contracts? Can he explain why he has not sought out those contracts?

Will the minister give an undertaking to this

House that he will seek out those contracts? Will he report back not only that he has done so but also that these contracts between the government and those two consulting agencies do exist in reality and that they meet the letter and the spirit of the Ontario government's much talked of, but apparently not often applied, Manual of Administration?

Hon. F. S. Miller: I am sure my friend knows that each minister is responsible for the actions taken by the ministry during his tenure. That will be my attitude towards the ministry itself. I have no intention of making any commitments to bring back to the House information that is properly in someone else's domain.

Mr. Foulds: Mr. Speaker, does the minister not think it is a matter of responsibility for a minister to account for expenditures in his ministry as they are reported to the standing committee on public accounts or otherwise? Does he not think that is the only way in which this Legislature and the public can look at some of the ministries' past expenditures?

Will the minister at least give a commitment to this Legislature that this matter will be the subject of a full and complete statement by some responsible minister of this government? Or is he, like Pontius Pilate, simply going to wash his hands of the matter?

Hon. F. S. Miller: Mr. Speaker, as the honourable member knows, I will be before the estimates committee before too long. I will be pleased to answer all those questions I am able to answer in estimates.

NURSING HOME LAYOFFS

Mr. Mackenzie: Mr. Speaker, I have a question of the Minister of Labour. Is the minister aware that because of contracting out, 92 employees of the Kennedy Lodge Nursing Home in Scarborough have been notified that their services will be no longer required as of Friday, December 16? Is this the fate to be expected by the other six homes owned by the same person?

Can the minister tell us what he is going to do to protect these dedicated workers and the thousands of other nursing home workers who now may be hurt by this growing trend?

Hon. Mr. Ramsay: Mr. Speaker, I sincerely share the concerns that the honourable member has expressed. It is a circumstance and a situation that I neither endorse nor am very pleased about at all. As the member has stated most correctly, this is not the first; one was raised in this House just last week, although I

believe this one has the greatest number of employees thus far, 92.

I am aware of it. However, it is simply a case of there not being a clause in the collective agreements that would oppose or prohibit contracting out. Until there is such a clause in the collective agreements there is nothing that can be done.

I point out also that there is no legislation in any other jurisdiction in Canada or the United States which would prohibit this from happening, because I have checked personally in this respect. Therefore, Ontario is not unique in the circumstance that is out there in the work place. I am not happy about it, I am very unhappy about it, but it is a matter that is on the record.

Mr. Mackenzie: Workers are already subjected to decreased wages through the government's restraint program, and have been denied the right to bargain for protection against contracting out over the last year because of this same government's restraint bill. They are now going to be replaced by third-party-for-hire operators who are charging \$6, \$7 and \$8 an hour to supply personnel who will be paid \$4 or \$5 an hour. What is the minister going to do to stop this ripoff which is threatening the entire nursing home industry? There is surely a responsibility to those workers.

Hon. Mr. Ramsay: I agree that there is a responsibility to those workers. I do not deny that at all. In fact, my deputy and I met to discuss this very problem this morning. I do not have any ready solution that I can offer to the member now. All I can tell him is that it occupies a very high priority within our ministry.
3:20 p.m.

Mr. McGuigan: Mr. Speaker, I know this perhaps is not the Minister of Labour's particular aspect in this issue, but he is part of the government. Does it not bother him that he is part of a government where labour has no vested interest in the jobs in that nursing home? The owner of that nursing home, who got it for free from this government, can sell it when he is through with it for thousands of dollars per bed. Does this not bother him?

Mr. Speaker: That is hardly a supplementary.

Hon. Mr. Ramsay: Mr. Speaker, I do not want to make a case for the nursing homes, but it certainly appears that the ones we have looked into thus far are having great difficulty operating and some of them have the option of either contracting out or closing their doors.

GOVERNMENT ADVERTISING

Mr. Bradley: Mr. Speaker, I have a question for the Treasurer. He at present, as did his predecessor, preaches the politics of restraint and preaches restraint in public expenditures. He suggests to municipalities and boards of education that they too should be involved in restraint programs. He is underfunding, in the view of the opposition and many of the public, a number of agencies, boards and other bodies because he feels restraint is the word of the day and should be practised by all these bodies.

In view of all this, is the Treasurer prepared to give an undertaking to this House that he will slash his advertising budget in Ontario, which in the last year for which I was able to find the figures was over \$40 million, and in the preceding year was over \$40 million?

We have not been able to get the figures this year because he will not give them to us on the order paper. When we ask the question he tells us to come to estimates, but many of the estimates are over. Will he give an undertaking to this House to practice what his government preaches, restraint, by slashing his advertising budget by at least half?

Hon. Mr. Grossman: Mr. Speaker, I will be pleased to report to my colleagues in places such as Tourism Ontario that the member thinks all advertising should be slashed by half. If we slash tourism advertising by half, my friend the member for Victoria-Haliburton (Mr. Eakins) will be screaming from every daily in the province that this is the last place the government should look to slash.

There are, of course, a number of other areas in which we advertise but as the Tourism critic, the member's good friend the member for Victoria-Haliburton would tell him the largest single account is tourism advertising and it is one I would say should not be significantly reduced in the restraint program. Under the aegis of my colleague the Minister of Tourism and Recreation (Mr. Baetz), we have done marvellous things in protecting the tourism industry against the ravages of the last couple of years. It would be one of the most serious mistakes government could make, and I know the member's colleague will speak to him afterwards about his suggestion that we cut the tourism budget by one half.

Might I also say, in terms of other programs, if the member will look at those areas where we have had an increase this year—I have not had a chance to study them in depth—he will find

most of them are increases intended to support and publicize a new program by government. I think, for example, of the excellent renter-buy program mounted by the Minister of Municipal Affairs and Housing (Mr. Bennett).

That is an important new program. It would hardly be worth allocating those kinds of dollars to the program if we did not also equip the Minister of Municipal Affairs and Housing to inform those people who might access that particular program of the existence of the program. I am sure on balance the member will support all those advertising programs and support our excellent programs.

Mr. Bradley: The minister is aware that I am referring to the self-congratulatory political advertising his government is famous for. My question revolves around that.

Is he prepared to undertake a review of all his advertising in every department of this government to eliminate any that is unnecessary; in other words, any that does not provide hard information to the public as opposed to the ads we have in the Ministry of Energy, for instance, attempting to justify the expenditure on Suncor and other self-congratulatory ads that are there simply to promote the government?

I ask this particularly in view of the fact that we are heading into an election year next year and his government is notorious for increasing its expenditures on advertising in a pre-election year.

Hon. Mr. Grossman: Mr. Speaker, might I assure the honourable member and all of my colleagues—

Mr. Conway: Applause on both sides for that.

Hon. Mr. Grossman: Many of those members will not be back. They should not applaud that so quickly.

My colleagues will assure members that as we are now in the midst of the allocations for next year, every part of every budget in this government is undergoing very intense scrutiny. One of the reasons we have been able to protect our financial position and still have moneys to mount some new programs during this very difficult period of time is because no part of any budget has been saved from going through the allocation process. No part has been spared intense review inside the government. If the member will look—

Mr. Bradley: Advertising was unscathed last year.

Hon. Mr. Grossman: The member will find

that as one goes through ministry by ministry that is simply not the case.

Mr. Speaker: Thank you. That was a very complete answer.

Hon. Mr. Grossman: No, there is a lot more.

Mr. Speaker: New question.

WINDSOR AMBULANCE SERVICE

Mr. Cooke: Mr. Speaker, I want to thank you for your assistance. I have a question for the acting Minister of Health concerning the Windsor ambulance service. I am sure the minister is aware that his ministry has ordered an internal review because of the very serious problems that exist in that ambulance service.

Because of the incidents reported in the press that have indicated there is a danger to health because of the problems in that ambulance service and the very poor morale that exists among the employees, would he not agree the Ontario Public Service Employees' Union should have been involved in developing the process for the review?

Would he not agree that in order to restore public confidence in that ambulance service, what is needed instead of a private, internal review is a public inquiry into the Windsor ambulance service because of the very serious problems that exist there?

Hon. Mr. Wells: No, I would not agree with that, Mr. Speaker.

Mr. Cooke: There is one case I have brought to the minister's attention where an individual's health was put in jeopardy. There is another case I would like to bring to his attention. Is he aware that very recently a young person in Windsor had his foot cut off, was taken to a hospital and then had to be transferred to London, Ontario, and the ambulance ran out of gas at Highway 21 and Highway 401?

Does that not indicate there are some serious management problems in that ambulance service? Considering all the contract employees his ministry has fired at the end of their contract, does he not understand morale is very low and people's lives are put at risk because of no action on the part of this government? Would the minister reconsider his decision and call a public inquiry?

Hon. Mr. Wells: I am not discounting the fact there are problems that need to be corrected. The honourable member merely asked if I would undertake some different type of review. I am satisfied we can straighten out the prob-

lems through the procedures we are now following.

TELEVISION IN LEGISLATURE

Mr. Martel: Mr. Speaker, on a point of privilege: May I draw to your attention that once again today the cameras withdrew after the two leaders had their questions. As chairman of the Board of Internal Economy, is it not time you brought that matter back to the board for reconsideration, since an all-party committee of this Legislature advocated that we should have full television coverage and not be limited to the choice made by the press gallery, which is nothing beyond the leaders' leadoffs?

Mr. Speaker: If that is the wish of the members, I would be happy to do so.

PETITIONS

INFLATION RESTRAINT LEGISLATION

Mr. Kolyn: Mr. Speaker, on behalf of six members of the Conservative caucus I am tabling a number of petitions, all of which read as follows:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

3:30 p.m.

Mr. Sargent: Mr. Speaker, I have a petition which reads:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned nurses, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect

would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith."

This comes from the nurses in the Lee Manor home for the aged, the Versa-Care Centre of Owen Sound and the Owen Sound Nursing Home.

Mr. Samis: Mr. Speaker, I have a petition to the same effect from 87 nurses representing Cornwall General Hospital, the Eastern Ontario Health Unit and the Glen-Stor-Dun Lodge.

Mr. J. M. Johnson: Mr. Speaker, I beg leave to present a similar petition.

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned nurses, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith."

As chairman of the government caucus, I am tabling this from the Ontario Nurses' Association.

Mr. Wrye: Mr. Speaker, I have a petition.

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned nurses, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith."

That petition is signed by 167 nurses from hospitals in the riding of Windsor-Sandwich.

Mr. Speaker: The member for Fort William; sorry, Port Arthur.

Mr. Foulds: The member for Fort William (Mr. Hennessy) and I do not have an identify crisis, Mr. Speaker, and we do not know why you do.

I have a petition.

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned nurses, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith."

It is signed by more than 120 nurses at St. Joseph's General Hospital in Thunder Bay as well as Dawson Court Home for the Aged.

Mr. Hennessy: Mr. Speaker, I have a petition that reads as follows:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned nurses, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith."

This petition is signed by the employees of Grandview Lodge, the Thunder Bay District Health Unit and the Hogarth-Westmount Hospital.

Mr. Bradley: Mr. Speaker, I have the following petition.

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned nurses, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith."

This is signed by a large number of nurses and

personnel at Hotel Dieu Hospital in St. Catharines and the Shaver Hospital for Chest Diseases in St. Catharines.

Mr. Sheppard: Mr. Speaker, I have a petition. "To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned nurses, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith."

It is signed by 105 nurses from the Haliburton-Kawartha-Pine Ridge District Health Unit representing Northumberland, Peterborough, Victoria and Peterborough-Hastings.

Mr. Bradley: Mr. Speaker, I would like to present the following petition.

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

This petition comes from the following schools under the jurisdiction of the Lincoln County Board of Education. Connaught Elementary School, Parnall Elementary School, Gracefield Elementary School, Sheridan Park Elementary School, St. David's/Maple Leaf Elementary School, Orchard Park Elementary School, Virgil Elementary School, Glen Ridge Elementary School, my old school of Scottlea Elementary School, the last one I taught at before I came to the Legislature, and Lockview Elementary School.

REPORT

STANDING COMMITTEE ON GENERAL GOVERNMENT

Mr. McLean from the standing committee on general government reported the following resolution:

That supply in the following amounts and to defray the expenses of the Ministry of Energy be granted to Her Majesty for the fiscal year ending March 31, 1984:

Ministry administration program, \$6,468,300; conventional energy program, \$3,170,500; alternative and renewable energy program, \$19,639,900; energy conservation program, \$22,321,700; regulatory affairs program, \$2,639,400; energy investment program, \$83,000,000.

MOTION

PRIVATE MEMBERS' PUBLIC BUSINESS

Hon. Mr. Wells moved that Mr. Pollock and Mr. Hennessy exchange places in the order of precedence for private members' public business.

Motion agreed to.

MEMBERS' MAIL

Mr. Renwick: Mr. Speaker, I would deliver to you an unstamped envelope addressed, "The Honourable Member of the Legislative Assembly of Ontario," and bearing in the upper left-hand corner, "206 Carlton Street, Toronto, Ontario M5A 2L1, Canada."

I believe this was delivered to and found its way into the individual members' mailboxes. I do not understand the rules by which access to individual members' mailboxes is obtained. I would appreciate it if you would consider this matter and advise the assembly at your early convenience.

ORDERS OF THE DAY

ASSESSMENT AMENDMENT ACT (concluded)

Resuming the adjourned debate on the motion for second reading of Bill 90, An Act to amend the Assessment Act.

3:40 p.m.

Mr. Foulds: Mr. Speaker, when we last adjourned this debate I was on my feet outlining the plight of a number of my constituents with regard to assessment under the Assessment Act and the reason we in this party, and I in particular, oppose the section that would allow the ministry not to send out notices of assessment if that assessment has not changed.

I believe I can wind my remarks up within 20 minutes. However, now that I have the files available to me and I am not having to search my memory, I would like to put on the record the very real hardship this would work upon three or four of my constituents who have had a reassessment under the old section 86, now the new section 63.

Upon adjournment, I believe I was talking of the case of Michael Hedican. I simply want to read into the record his location, his complaint number and his roll number. His roll number was 58-04-010-005-001-00-0000, region 32, hearing 123, I believe it was, complaint 03-02181. Mr. Hedican appealed the assessment that was assessed against his property at 369 Pearl Street, Thunder Bay, Ontario, P7B 1E9. As you will remember from the discussion last week, Mr. Speaker, that is at the corner of Pearl and Banning Street.

The assessment was in excess of the amount Mr. Hedican paid for the property in 1983 when it was advertised for \$43,500. He bought it for \$39,500. The assessed value of the property was in excess of that. One of the complaints Mr. Hedican has is that properties that were taken as apparently parallel or equal properties were not from the same area at all.

One has to understand Thunder Bay to realize that this area, which is about a block and a half away from where I live, is the most densely populated area in the municipality of Thunder Bay. Properties as far away as five or six blocks, on Bay Street, for example, simply are not parallel or equal in value in terms of revenue homes, as this one admittedly is, in terms of two apartments in a very small house with the back of the property being rented out.

I draw this case to the ministry's attention and I hope he will realize the injustice of the assessment against Mr. Hedican's property. What he found frustrating, and I think a number of my constituents found frustrating, was that the decision after the hearing simply reads "realty assessment confirmed." No reasons were given, no explanations, no nothing. In any kind of due process, that seems to me to be entirely unreasonable.

If Mr. Hedican wants to take it to an Ontario Municipal Board hearing, he can do this at expense to himself and probably with the expense of legal representation. This seems to me to be terribly stupid and unjust. Certainly, this is one of the reasons the list and the assessed value should go out, so that if people like Mr. Hedican wish to appeal again, they should be notified of

the opportunity. Perhaps the ministry will have a change of heart.

The other case I mentioned last week was the case of Nick Prsa of 212 Camelot Street, Thunder Bay, Ontario. I want to get on the record the actual roll number, region, hearing and complaint number. I believe I discussed this in some detail last week. I simply want to recap by indicating that once again the value assessed against his business, which is two blocks from downtown Port Arthur where the urban renewal takes place, is in my view unjust because he is far from the walk-in traffic that occurs in the Keskus shopping mall, which is downtown Port Arthur.

As he says in a number of letters to me and to others, he has had to provide a lot of extra protection for his home and for his property. He happens to run a radio and television business and the components of those things are often subject to break-ins. I want to read into the record a little letter he wrote to the assessment department:

"Dear Sir:

"Re roll No. 58-04-010-039-001-00-0000:"—actually, it sounds almost like the amount he was assessed—"The above property is assessed too much. We built and completed our building in 1980. Cost of building was exactly \$120,000. Property was purchased, 1976-77, when market values were at their highest for \$48,000; total, \$168,000.

"How come assessments are down on Red River Road, which is the main centre of Thunder Bay north? I am located three blocks north of centre of Red River Road and our assessment went up at the time when the value of property and building went down. We have no walk-in business traffic because we are too far from the centre. We have no police protection, otherwise I would not be broken into so many times. Being next to a hotel parking lot, I have lots of broken bottles and paper to pick up from our property every morning. Commercial rent is a lot lower here than on Red River Road."

I mentioned last week that he rents out one of two units in that small building. As he points out, the commercial rent is in fact much lower in the property he can rent out than the property they can rent out in the Keskus shopping mall, which stands half-empty I might point out.

"I am hoping that you will consider a reassessment on our property. Thank you very much.

"Yours very truly."

He went to the assessment hearing and got the

same kind of notice that was given to Mr. Hedican. The realty assessment was confirmed. He was good enough to go back into his records and dig up the tax bills he paid. As I argued last week, this is the only point at which people realize—and a number of people both in homes and in businesses may be relatively unsophisticated when it comes to assessment—this is when he realizes he is paying double the taxes he was paying before reassessment, that his taxes have escalated from something in the order of \$3,500 to something in excess of \$8,000.

That seems to me to be entirely uncalled for and unjust. That is the kind of reassessment, the kind of taxation, that gives market value assessment or whatever one wants to call it a very bad name indeed. It gives the whole process a very bad name and it makes a mockery of the so-called appeal system.

Nevertheless, I point out that the main case I wanted to bring to the House—and I think those cases are extremely important—is the case of Mr. Ugo Cordone of 87 Minot Avenue, Thunder Bay, Ontario. When Mr. Cordone brought this to my attention I wrote to the assessment people in Thunder Bay and in Sault Ste. Marie. They were extremely co-operative and extremely friendly, that is the people at that level in the assessment offices.

3:50 p.m.

They wrote a letter of explanation to Mr. Cordone. He missed appealing simply because when he got his assessment notice, it pointed out very clearly that it was not a taxation notice. It was not until he actually received his taxation notice that he realized how much the value of his property had jumped on the equalized market value assessment.

I talked to him several times. Mr. Cordone is one of those people we talk about as being the salt of the earth. He genuinely wants to pay his fair share of taxes. He feels he has been unfairly assessed. By the time he came to see me at the end of August it was too late to appeal. I said to him: "Well, Mr. Cordone, I will help you with your appeal next time. When you get the notice next time, come and see me. We will go through the procedure and see if we can get it down for you." But because of this bill, he will not get a notice. When the hell is he supposed to know the time limits within which he can appeal?

I would point out that if nothing else happens, the mandarins under the gallery there should take notice and send him a specific notice if the minister's amendment goes through. It is surely the right of any taxpayer in this province to have

the right to an appeal. By taking away the notice to these people, in particular those in Thunder Bay who missed the right of appeal the last time, the government is denying them due process. I consider that very serious indeed.

If, by some misadventure, Mr. Cordone is not notified of his assessment in the coming year, the minister has seen nothing yet in the way of debate when it comes to the next time any kind of property tax or assessment bill comes into this Legislature, because I have committed myself to Mr. Cordone, as have the ministry officials, that he will receive a notice and that he will have the chance of appeal in the next round. If that is denied him, I say that justice has not been done in this province.

Finally, I want to bring to the attention of the assembly and to the minister the case of Mr. Walter Seeber of Thunder Bay, who happens to own a mobile home court in Thunder Bay. He makes his case very well in a letter he wrote to me which I will simply read. I believe it is self-explanatory. I will then have one or two comments on the situation and will wind up by, I would think, four o'clock on the clock but perhaps a minute or two later on the digital watch on the wall.

Mr. Nixon: We get the message. Thank you very much.

Mr. Breaugh: We try to be organized.

Mr. Foulds: Was I, like the Premier (Mr. Davis), being interjected at there? I was not really trolling for interjections the way the Premier does in order to prolong his speech.

The letter reads:

"Dear Mr. Foulds:

"I am a landlord in the sense only that I own the land on which mobile homes have been placed. Such mobile homes are owned and occupied by others. Each mobile home owner upon entry into our park signs an agreement stating that the park owner is responsible for all taxes relating to the land and the mobile home owner is responsible for taxes relating to his dwelling.

"Prior to 1983, the Lakehead Board of Education and the Lakehead District Roman Catholic Separate School Board levied to their respective supporters a flat rate of \$100 per annum." That should be in these mobile homes.

"Every six months or so I received a list of occupants (mobile home owners) from the board of education asking me to update with respect to homes that have moved out of the

park or change of ownership of homes in the park.

"I corrected any changes by giving the new address of the vacating owner and the name of the new owner-occupant. However, six months later I received a request to update a new list and report changes if any. To my dismay, I discovered that my formerly corrected list of mobile home owners residing in my park had not been acknowledged by the board of education. I am sorry to say that this worthless exercise occurred several times, and I must assume that my corrected mobile home owner list ended up in a waste-basket in the office of the Lakehead Board of Education or the tax collector's office.

"I believe that because of the general ineptitude of the tax collector to collect his taxes from some mobile home owners, the decision was made to push the burden not only of collecting such taxes but to actually make responsible for payment of such taxes no one else but the so-called landlord. The decision to throw the burden of responsibility at the landlord occurred simultaneously with the decision of the assessment office to assess separately each individual mobile home within the park for tax purposes.

"In December 1982, I received an assessment notice listing all the mobile homes and owners' names in my park, plus assessed value of each individual home. No letter of explanation was included. I ignored this notice since it obviously had nothing to do with me. In fact, I believe that mobile home owners had received their own assessment notice and could therefore lodge a complaint themselves with the assessment office if they felt the assessment improper.

"On June 13, 1983, I received a tax notice from the Lakehead Board of Education with a request that I pay taxes based on a total assessment of"—I think it is \$30,260,000; it cannot be, but it must be more than \$30,000, probably \$302,000. At any rate, the point he is making is that he was asked to pay taxes based on the total value of the property and the homes.

"I immediately phoned the Lakehead Board of Education for an explanation. I then started my correspondence with the board of education."

Interjection.

The Deputy Speaker: The member did have a target for concluding his remarks, I trust.

Mr. Foulds: I had a little consultation with my learned colleague the member for Riverdale (Mr. Renwick), Mr. Speaker.

"In closing, I wish to point out under the new assessment scheme taxes have increased from \$100 to the highest-taxed home of \$193.87, which is an increase of 93.87 per cent, to the lowest-taxed home"—on this particular mobile home property—"of \$108.85, an increase of 8.85 per cent, to the average-taxed home of \$147.19, which is an increase of 47.19 per cent.

"It is inconceivable that I should be held responsible for other people's tax obligations."

It is signed by Walter Seeber of Copenhagen Mobile Home Corp.

I find it very strange that somehow under the Assessment Act a man can be held responsible for paying the taxes of property he does not own. I do not understand that. I simply do not understand how in the laws of this country a man can be held responsible for the payment of taxes on property he does not own. I would like someone in the assessment office or in the Ministry of Revenue, or the minister, to explain that to me.

Mr. Seeber has received letters from the tax collector, Mr. P. Karkkainen, which say categorically that the landlord is responsible for payment of taxes applied; but he is the landlord of the property only, he is not the landlord of the homes.

4 p.m.

According to the correspondence he shared with me, which I would be glad to share with the ministry, he is being charged taxation on the entire amount of the property value of all the homes and the property. I simply think that is unfair.

In one of his letters to Mr. Poulter of the Lakehead Board of Education, he simply says: "In your July 7, 1983, letter you make the following statement, and I quote: 'We regret the inconvenience this is causing you, but the imposition of the assessments was not within our control and our taxes are based upon relative assessments.'

"My dear sir, if by some twist of justice I should be held responsible I can assure you that it is more than just an inconvenience on my part, it is bankruptcy."

With those few remarks this afternoon, I wanted to put those cases on the record, bring them directly to the minister's attention and indicate to him why it is absolutely necessary that Bill 90 should not be passed in its present form. I think those four cases illustrate my point extremely adequately.

Mr. Renwick: Mr. Speaker, I want to speak

very briefly on the bill. The bill has been debated at some length in a quite extemporaneous way. I think that in itself should impress upon the minister the concerns which members of the assembly on all sides of the House have about the assessment process in general and about this piece of legislation in particular.

I congratulate the minister on his appointment to a full cabinet responsibility as a member of the executive council in charge of this ministry. I would hope that my congratulations could be coupled in due course with his sense that he would like to erect a monument to himself in Ontario as having dealt with the question of the fairness of the assessment process in every aspect.

I had expected and hoped, and I look forward to the minister welcoming, as I expect will be the case, that this bill will be able to go out to committee so that we can bring to the attention of the minister the concerns which ordinary citizens have about the assessment process.

I have two or three specific concerns about the bill that is in front of us.

The first concern I have is that this piecemeal amendment of a particular section seems to me, just as a matter of clarity of process, to leave a lot to be desired. For example, the provision that is being amended, which provides now that assessment notices will be sent out only when changes are proposed, does not bring clearly to the attention of the assembly the optional nature of the requirement of the assessment commissioner, "to deliver with a notice required, or to publish in a newspaper, particulars with respect to the last date for appealing the assessment, the times and places where the assessment roll may be examined and discussed with the assessment commissioner or an assessor, any significant and unusual change in the amount of the assessment and any other information which in the opinion of the assessment commissioner is desirable."

We now have a situation where a change can be made in an assessment of a particular piece of property, a notice can be sent out simply advising what the assessment will be without bearing any reference whatsoever to the change, and then it is entirely up to the assessment commissioner whether or not he includes the notice giving particulars of the changes which have been made and about the right to appeal.

As an alternative to that, he may publish it in a newspaper of general circulation, which I think would be quite an inadequate method of advising persons whether it is going to be a selective

process of assessment change. It would be a quite inadequate method of making provision for that notice to reach the person whose property is reassessed.

Then it contains this most unusual statement: "... but any failure to send such notice does not affect the validity of the assessment." It seems to me that is the crux of some of the concerns expressed when this minister's predecessor dealt with assessments, particularly in the areas represented by the riding of Riverdale, wards 7 and 8, in that bull-headed way of his.

It seems to me the ministry should have been aware that one cannot amend this bill in a piecemeal fashion. I therefore welcome the possibility that the bill will get out to committee so these matters can be brought home to the minister, not only in the process he wishes to establish in the statute but also in the whole process by which changes are made.

The second point relates to the significant exception which will continue to exist. I refer to the proposed amendment to section 63 of the bill, providing that where it is inequitable with respect to the assessment of similar real property in the vicinity the assessor may alter the assessment to make it equitable. This raises questions of responsibility, burden of proof, the process of the assessment review procedure and the whole process by which appeals take place under the Assessment Act.

I hope in committee sufficient representations will be brought to the attention of the minister that he will consider establishing a special committee to review the law. I do not mean reviewing it with respect to quantum of assessment but with respect to the whole process, which leaves very much to be desired regarding its fairness and its adequacy. It should be reviewed as to the extent it impinges upon the access of individuals to the assessment process.

Hon. Mr. Gregory: Mr. Speaker, I have listened very carefully and with great interest to the thoughtful contributions of the honourable members opposite as they addressed the general purposes of the bill.

I would like to respond briefly to some of the more relevant points they raised. I will begin with my response to the member for Waterloo North (Mr. Epp), who I am sorry to see is not here today. I note his party supports the bill in principle. I also note they agree that the section 63 reassessment program is widely accepted and working well in many municipalities throughout Ontario.

The member asked me how the program is working in the 389 municipalities that have been reassessed to date. Since becoming Minister of Revenue, I have spent a great deal of time examining exactly this question just for my own information. I concluded that the section 63 program is working extremely well in meeting its objectives of providing municipalities with more equitable, consistent and, more important, defensible property tax bases.

This is demonstrated in aggregate terms by the fact that since 1979 almost two thirds of all municipalities have implemented a reassessment based on market value, either by section 63 or proclamation. How the section 63 reassessment program has worked in individual cases can best be described with the following example.

In Waterloo, the city council requested implementation of a section 63 reassessment program for taxation in 1982. The program was well received by both councillors and ratepayers. Some 401 ratepayers attended the open house sessions to review their new assessments with staff from the regional assessment office. An additional 298 ratepayers contacted the office directly to obtain information concerning their assessments.

In the first year of its reassessment, 1,516 appeals were filed and received reductions in assessment amounting to less than one per cent of the total rateable assessment base. All in all, it was a very successful and well received program.

4:10 p.m.

Second, I want to comment on what the member for Waterloo North said about the information we supply to municipalities to assist them in making their decision on whether to implement section 63. In particular, he was concerned about why we do not give municipal councils information on individual properties.

The reason is very straightforward. He is correct that the detailed tax impact studies do not include information on individual properties but only aggregate data for each property class within the wards of the municipality.

If individual property information were provided and council decided not to proceed with the reassessment, then those people whose properties were identified as being overassessed could then appeal their assessment for reductions. A tax shift would then occur through the courts.

Moreover, this tax shift would not be restricted within a property class, simply because municipalities would move to recover the resulting tax

losses by increasing mill rates across the board. Similarly, any commercial-industrial tax reduction could fall unfairly on residential taxpayers.

In other words, by not identifying individual properties, we provide municipalities with a clear choice to proceed with section 63 without causing massive disturbances in the event they decide not to proceed. Viewed in this way, I am sure the member will agree with our policy of not detailing every property.

Last, the member for Waterloo North requested information respecting my ministry's information campaign which is conducted in the latter part of the year in support of the return of assessment rolls across Ontario. The member for Oshawa (Mr. Breaugh) also commented on the matter of my ministry's information campaign.

I want to assure members that our advertising is restricted to providing ratepayers with essential information. In no way can it be construed as political. For example, last year the ministry spent approximately \$260,000 in newspaper advertisements. This year, it is our intention to repeat our ads in all the dailies and weeklies as well as the French and ethnic press to advise ratepayers of the following information.

The ads will inform ratepayers of the schedule of assessment open houses and the times and locations where they will be held, that information on people's assessments will be available for review at these open houses and that assessment notices have been mailed only to those ratepayers where change has occurred to any of the recorded information on last year's notice or where they appealed their assessments last year.

As well, these advertisements will inform ratepayers that the assessment rolls will be available for review in municipal offices after December 20. Finally, the ads will detail the process for filing appeals with the assessment review board and inform ratepayers that the final day for filing appeals is January 10, 1984.

To further inform ratepayers of their rights to appeal, a second series of ads in all dailies, weeklies, French and ethnic press will be placed prior to the final date for filing appeals, January 10, 1984. Our efforts in the 111 ethnic newspapers were in direct response to a request by the city of Toronto. The cost of this year's information campaign to support the return of assessment rolls across Ontario will be approximately \$350,000.

I would now like to respond to some of the other comments by the member for Oshawa. He has suggested that many municipalities have looked at the section 63 program and concluded

it would not benefit them very much. This generalization does not conform with our experience and therefore requires some clarification.

The section 63 program is designed to generate the same amount of taxes that each property class raised before the reassessment occurred. In other words, section 63 reassessment does not generate either more or fewer tax dollars. It simply redistributes the current tax burden more equitably and consistently within each property class.

It is not designed to be nor is it in practice a money-maker, but it does produce defensible assessments which will prevent significant tax losses through the courts which municipalities otherwise would suffer with their old assessment systems. This is a very important fact motivating municipal councils to adopt section 63 reassessment.

Equally important, and in the same context as the comments of the member for Oshawa, market value happens to be a concept that is readily understood by ratepayers and allows them to compare their assessment with similar properties.

I would now like to acknowledge the well-practised comments of the member for Brant-Oxford-Norfolk (Mr. Nixon), who is always a delight to listen to. I thoroughly enjoyed him the other night. I did not agree with him, but I thoroughly enjoyed him.

I wish to clarify that the section 63 program purposely has limited but very important objectives. However, the matter of addressing tax class differentials and other property tax policy issues, which can be termed property tax reform, generally is a more long-term objective that only can be realistically addressed by a step-by-step approach to allow progress to be fitted to the circumstances and needs of individual municipalities.

In this regard, it is this government's view, which is endorsed by the Association of Municipalities of Ontario and others, that the section 63 program represents the first important step towards an equitable and consistent property assessment system for Ontario's municipalities.

The member for Brant-Oxford-Norfolk and other members opposite have suggested with respect to section 2 of the bill that the city of Toronto wishes to voice its concern. While we know the mayor of Toronto is on record as opposing section 2 of the bill, I would like members to know that both the executive and fiscal policy committees of AMO have expressed their support for section 2.

As I said earlier, I would like to respond to the comments of the member for Bellwoods (Mr. McClellan) and others on the matter of assessment appeals in the city of Toronto. However, before turning to the specifics of appeals, I wish to express my surprise at the extreme terms used by the member for Bellwoods to describe property assessors in Metropolitan Toronto. Throughout his statement, he referred to property assessors as storm-troopers and jack-booted goon squads who blitzkrieg neighbourhoods, venging their prejudices and generally spreading terror with uncontrolled abandon. He actually said those things.

Such intemperate remarks are quite silly. They are hardly conducive to any measured discussion of the substantive issues involved. Under normal circumstances, I would not even bother to comment on such utterances except that they are, unfortunately, symptomatic of a rather nasty tendency to win cheap debating points by invective rather than facts.

Mr. Martel: He is imputing motives, Mr. Speaker. You should ask him to withdraw.

The Deputy Speaker: With all due respect to the member and his comments, I sense that if the comments being recorded by the minister are true, there is somewhat of an even draw in the intemperance of the remarks made and being made.

Hon. Mr. Gregory: If they offend the member, I will certainly withdraw those remarks.

Mr. McClellan: At least I write my own invective.

Hon. Mr. Gregory: One can tell by listening to it that he does.

I now intend to deal with a number of the more serious points raised. Not that the points raised by the member for Bellwoods were not serious; they were just inane. They were raised by the member for Bellwoods with respect to recent residential assessment increases in the city of Toronto.

First, he suggested that assessors went to specific areas of the city such as the east end and then to the west end. He implied the ministry targeted areas in the city for special attention. This is quite incorrect. In fact, last year 384,000 single-family residential properties were visited in Metropolitan Toronto for inspection purposes. Only 103,000 of these residential inspections occurred in the city of Toronto.

The member for Bellwoods said there were 4,510 single-family properties reassessed in Toronto in 1982 for 1983 taxation. In fact, the

visitations resulted in 6,941 properties having their assessments changed, and 4,510 of these reflected increases in assessment as a result of alterations, additions or renovations of more than \$2,500 in market value.

4:20 p.m.

The member for Bellwoods has echoed a charge heard from some members of the city of Toronto council that this government has undertaken a campaign of imposing market value reassessment through the back door again. This is not true.

These updates and assessments were, in fact, part of an ongoing assessment maintenance function that is occurring in every municipality in Ontario. Last year, there were over 161,000 assessment changes throughout Ontario, which represented 5.1 per cent of all properties.

In the city of Toronto, there were 6,941 assessment changes, which represented five per cent of all properties in the city of Toronto. This obviously demonstrates that the city of Toronto has not been singled out for special treatment. In fact, many municipalities had a much higher percentage of properties reassessed.

Once again, the Association of Municipalities of Ontario has fully supported this ongoing program of updating assessments to reflect the increases in value resulting from additions and renovations. Many major municipalities have supported this measure as being essential to maintaining their assessment rolls.

The member for Bellwoods suggested that last year there were literally thousands of people in Toronto who received assessment increases and did not appeal them because they did not understand and were not aware of the appeal process. As I said before, the 4,510 property owners whose assessments were increased received assessment notices and direct information from my ministry advising them of their assessment increases, the open house sessions, the appeals procedures and the final date for appeal. In addition, the ministry advertised in the daily and weekly newspapers and the 111 ethnic newspapers in Metro Toronto to advise them of this information.

Notwithstanding all of this information, the city of Toronto council decided to instruct its staff to write to every one of these 4,510 property owners to encourage them to appeal their assessment increases and to advise them that help from the city was available in the preparation of their appeals. In that regard, seminars were held throughout the city, two of which were conducted in Italian and Portu-

guese. Of the 4,510 properties receiving assessment increases, only 1,009 appeals were actually filed with the Assessment Review Board.

The member for Bellwoods has been led to believe by his New Democratic Party colleagues on Toronto city council that assessors have changed the rules of the game respecting appeals. His party friends from the city council in Toronto have told him that, all of a sudden, a new measure of comparison has been introduced by the appeal proceedings; namely, assessment per square foot basis of comparison. His pals from that city tell him—

Mr. Foulds: "Pals?" Is that parliamentary?

Hon. Mr. Gregory: I think so.

Mr. Foulds: He doesn't have any pals.

Hon. Mr. Gregory: That does not surprise me.

Mr. McClellan: Whose side are you on?

Mr. Foulds: He has friends.

Hon. Mr. Gregory: Those friends of his, or acquaintances or whatever they are—

Mr. McClellan: They are friends.

Hon. Mr. Gregory: Those friends from city council tell him they have never heard of such a concept.

Mr. Boudria: The minister needs a new speechwriter.

The Deputy Speaker: Would the minister continue with his remarks.

Hon. Mr. Gregory: I am being harassed, Mr. Speaker.

Mr. McClellan: He is reading unnecessarily from a document, Mr. Speaker.

Hon. Mr. Gregory: Only because I am trying to speak very slowly so the member will understand. If he would try to read my lips, we would really get through.

Unfortunately, the member has been seriously misled. I can demonstrate this by the following reference to this so-called new measure.

"Sometimes instead of using the ratio of assessment to market value, assessors will use the amount of assessment per square foot. If possible, you should do your calculations in square footage terms as well so that you can present your case in either mode. For square footage you do exactly the same thing as you did before.

"Find out what the assessment per square foot is for each of your comparable properties. Take the average and compare this to your property."

Mr. McClellan: How much did this speech cost? I hope it was cheap.

The Deputy Speaker: Order.

Hon. Mr. Gregory: "If your property is higher, then you have been unfairly assessed."

Mr. Speaker, the member for Bellwoods may wish to inform his buddies on Toronto city council—

Mr. Foulds: Buddies? Come on, friends.

Hon. Mr. Gregory: Anyway, whatever they are, he might like to inform them where to find this reference. The reference is on page 17 in the booklet entitled Assessment Appeal Seminar Information. This booklet was prepared by their own consultants and published by the city of Toronto and distributed to all ratepayers attending their seminars.

In response to the member for Etobicoke (Mr. Philip), I acknowledge he has done a considerable amount of work in preparing his analysis of condominium assessments in Etobicoke. I passed that information on to my staff and requested a detailed report.

I listened carefully, as I always do, to the member for Sudbury East (Mr. Martel). As I indicated to him in my letter of September 15, 1983, the Sudbury Board of Education can apply for a section 63 reassessment which will correct the problem of education tax inequities. However, to date we have not had a response from the board.

I listened with particular attention to the member for Hamilton Mountain (Mr. Charlton). He is clearly knowledgeable about assessment and, as a result, his comments were thoughtful and measured, although somewhat intemperate the other night. The members opposite will recall the member dealt at some length with the assessment changes resulting from the section 63 reassessment in Hamilton in 1979. In doing so, however, he touched on only certain areas in the city of Hamilton. The member also restricted his comments to assessment and tax increases. To say the least, the result is a rather selective and unbalanced view of the section 63 process.

In terms of his expressed concern for home owners, it is understandable that the member is worried about tax increases for some people under the section 63 program. However, he should also explain why other home owners should not have their taxes decreased either. Unfortunately, the member for Hamilton Mountain did not explain how he would conduct the reassessment so that, magically, there would be only tax reductions and no increases.

In regard to his particular criticisms of the section 63 program, I think it is worth while to introduce a few facts he did not mention. First, the member must agree that the extent of the assessment in tax changes under section 63 is strictly controlled. Underassessed properties are increased only to the extent that they pay taxes equal to the taxes already paid by the vast majority of their neighbours, and more particularly to allow reductions to those home owners who have been paying more than their fair share for years.

Second, municipalities have the option to phase in tax increases as a result of a section 63 reassessment. Here it is instructive to note that of the 389 municipalities that have requested implementation to date, only two municipalities have thought it was necessary to phase in the changes. Presumably the main reason the other municipalities have not done so is that by phasing in tax increases for underassessed properties it becomes necessary to further delay reductions for people who were previously overtaxed.

A third area of concern to the member was tax increases in the Hamilton Mountain area, where he commented on tax increases in general resulting from the section 63 reassessment, as well as particular hardships to owners of veterans administration lots. On his first concern, he referred to tax increases of up to 5,000 per cent.

Without belittling the problems of these ratepayers, it would be useful if he had used real dollar figures. For example, there was a property on the mountain that had an assessment of \$61 and taxes of \$9.03 prior to reassessment. This was a half-acre lot. The assessment on this property increased by 6,500 per cent to \$4,190 and the taxes to \$691.

When that extremely low assessment of \$61 was placed on that property in the early 1950s, there were no municipal services. In 1979 the property was fully serviced. Its market value and corresponding assessment reflected that fact.

Mr. Charlton: Check your facts. They are not right.

Hon. Mr. Gregory: I would rather trust my sources than the member's.

Certainly the early tax load of \$9 was unrealistic and to depict this tax increase in percentage terms is somewhat misleading, to say the least. I shall now turn to the member's concern for—

Mr. Foulds: Mr. Speaker, on a point of order:

one cannot accuse another member of being misleading.

The Deputy Speaker: I believe I heard the minister use the word "misleading."

4:30 p.m.

Hon. Mr. Gregory: Could I read that? Maybe if the member will follow my lips he will understand. It says here, "Certainly the earlier tax load of \$9 was unrealistic and to depict this tax increase in percentage terms is somewhat misleading, to say the least."

Mr. Foulds: That is accusing another member of being misleading, Mr. Speaker.

Hon. Mr. Gregory: I have said it twice; take out one and then we are even, all right?

The Deputy Speaker: I would just make the comment that specifically there is no reference to a specific member as I heard it, but it might help the minister in the wrapup of his comments if he simply said the figure was misleading. If you could just avoid the provocativeness, and the members over here could give you the same courtesy as I have noticed you extended to them for the closure of the subject.

Hon. Mr. Gregory: Thank you, Mr. Speaker. That was very enlightening. I know exactly what I should do now and what I should not.

Interjections.

Mr. Martel: Now you withdraw.

Hon. Mr. Gregory: I was not instructed to withdraw anything. I now turn, Mr. Speaker, to the members' concern for veterans administration lots.

Interjections.

The Deputy Speaker: Order.

Mr. Martel: On a point of order, Mr. Speaker: Yesterday my leader used the word "liar" and was forced to withdraw it. He was not even accusing anyone. Now you are allowing a minister to say that a member is somewhat misleading. I want to suggest to you rather strongly that the minister cannot do that. You should ask him to withdraw because he has not seen that you are attempting graciously to get him to withdraw. Maybe if you hit him with a sledgehammer or something, you would get his attention to what you are after.

The Deputy Speaker: I am sure the minister is aware of the rules of the House. He cannot impute misleading to anyone, but I distinctly heard him refer to the figure being misleading.

Mr. Foulds: No, no, he said to do so. If you want a lesson in grammar, Mr. Speaker, that

happens to be a gerundial infinitive, the subject of which is the person who is referred to in that section about which he is talking.

The Deputy Speaker: I suppose we can be as technical as we wish. Does the minister want to clarify that he has no intentions—

Interjections.

Hon. Mr. Gregory: Mr. Speaker, I think you have ruled that I have not said anything that identifies anyone, unless the gentleman who made these statements wishes to be called an "it." There is some question; maybe there is some validity to that, I do not know.

Mr. Wildman: We agreed he has not said anything.

Hon. Mr. Gregory: I will now turn to the member's concern for veterans administration lots. The facts are that altogether there are 35 such properties and they—

Mr. Martel: I am sorry, Mr. Speaker. I do not want to be mean, but he is going to withdraw and he is going to withdraw in the same manner Mr. Speaker makes us withdraw. Just apply the rules uniformly.

The Deputy Speaker: In response to the member for Sudbury East, if you find that comment unparliamentary—and we have heard this banded about this afternoon—perhaps we could get along if the minister could clarify that he did not wish to attach that suspicion to any other honourable member.

Hon. Mr. Gregory: Mr. Speaker, I have read that particular clause twice now. If the opposition is still of the impression that they have been maligned, it would be my pleasure to withdraw that clause. I would ask you, though, to read it over in Hansard—it undoubtedly will appear in the Instant Hansard—and give me a report on whether in fact I did malign anyone.

The Deputy Speaker: Let the minister proceed. Interjections.

Hon. Mr. Gregory: I could be all day. If the members want to fool around, that is fine.

Talking about veterans administration lots, altogether there are 35 such properties. As a result of the reassessment their assessments increased by 300 per cent. This can be illustrated by one typical case in which the assessment increased from \$3,410 in 1978 to \$10,140 in 1979, while the taxes increased from \$504 to \$1,673. On first sight, these are impressive increases; however, account should be taken of a number of other important facts.

On the one hand, these properties have not

been assessed since 1951. In the meantime they have become fully serviced with municipal water, sewer and other services which justified an increase in assessment of taxes. On the other hand, members will be interested to know that whereas these lots were unused except for the dwelling sites, 30 of the 35 properties are now being farmed. As a result of being reclassified as farm land, their assessment has been reduced. In the case of my earlier example, the assessment has been cut from \$10,140 to \$4,826 in 1983, with a corresponding tax cut from \$1,673 to \$1,047.

Two further points should be noted. Since 1978, the mill rate has increased in Hamilton by 47 per cent to 217 in 1983 so that not all the tax increase is due to increased assessment. Further, it is interesting that the tax of \$1,047 on this property is still below the average tax of \$1,100 on home owners in Hamilton.

Finally on this point, in talking about increases it is significant that the member for Hamilton Mountain, and indeed all the opposition members who have criticized the section 63 program, made no mention at all of the government's income tax credits and grants paid to offset property taxes. In fact, as he well knows, the first \$500 of property taxes is paid for all senior citizens and low-income people, and not just to home owners but to renters as well.

It should be noted that in addition to 389 municipalities we have successfully reassessed for the first time under section 63 since 1979, 11 municipalities have already implemented updates under this provision, while another 26 are considering coming on stream for 1983. Such requests for updates are another measure of the basic soundness and effectiveness of the voluntary section 63 reassessment program.

The member for Hamilton Mountain went on at great length about the need for everyone to receive an assessment notice. It was his view that without such notices neighbours would not be able to compare their assessments because the assessment offices would not give them the assessment of their neighbour's property. I have discussed this with my staff and it is true that up to this time when someone called the assessor did not answer general questions on other people's assessments but directed such inquiries to the appropriate municipal office.

This arrangement was perfectly satisfactory because municipalities had the necessary information to handle such requests; that is, a certified copy of the assessment roll. Also, it was usually the case that ratepayers wanted to talk

about property taxes and municipal services as well as assessment.

Mr. Martel: This is a filibuster.

Mr. T. P. Reid: It is cruel and unusual punishment.

Mr. Foulds: It is the first time he has had a chance to make a ministerial statement.

Hon. Mr. Gregory: It is nothing like the five hours you took.

I want the member for Hamilton Mountain to know that in the light of the provisions of section 2 of the bill, I have instructed my staff to take steps to ensure that anyone can contact our regional assessment offices to get the assessment on any property for comparison purposes. Of course, we have always provided this service in the more than 1,100 open houses held annually throughout Ontario.

Second, the member for Hamilton Mountain misunderstands how the provisions of the bill will affect those ratepayers who appealed their assessment last year. In conjunction with the provisions of section 2 of the bill, my ministry will send notices to all those ratepayers who appealed their assessments last year. The information insert accompanying these notices will contain a special note to ratepayers—and the members opposite should pay particular attention to this, I quote directly from the insert:

"If your previous assessment is presently under appeal at the time you receive this notice or if this notice does not reflect the most recent decision of the board, it is necessary that you again register an appeal with the Assessment Review Board against this assessment."

My ministry will also be sending out notices to every owner and tenant when a municipality has opted for a reassessment under the section 63 program.

I would like to respond now to the comments made by the member for Prescott-Russell (Mr. Boudria) respecting the appeal of his assessment on his home in Maplewood Estates in the township of Cumberland. He told us in great detail of his experiences before the Assessment Review Board and how disappointed he was when the chairman of the Assessment Review Board confirmed his assessment.

You will recall Mr. Speaker, he offered to sell his house to me for the amount of the assessment. Like any good perspective buyer, I have investigated his proposal.

4:40 p.m.

The Deputy Speaker: The member for Prescott-Russell on a point of order.

Mr. Boudria: Mr. Speaker, if the minister is going to quote me in this House, I wish he would be accurate. That was not what I said to him the other day. If he will review Hansard, he will find out exactly what I did say. It was not that. I offered to sell him my home for the proportionate value of the reassessment for the market value and not the actual market value.

Hon. Mr. Gregory: Just as a point of interest, I am not interested in his house, thank you.

Mr. Boudria: Well, if he can't read Hansard—

Hon. Mr. Gregory: Really, frankly, I am not really interested in his remarks.

Mr. Speaker, after that, the party went downhill and there was not very much from anybody's side.

Referring today to the member for Port Arthur (Mr. Foulds) who read some cases he has, I urge him to send us the information and we will look into them. If there are any inaccuracies or injustices, certainly they will be rectified. I urge him to send them along to me. The member for Riverdale (Mr. Renwick) also had a couple of points which will be considered in committee later on today or at another time.

If the members are tired of listening to the answers to their questions, I cannot blame them; the questions were not any fun either.

Motion agreed to.

Bill ordered for the standing committee on social development.

Hon. Mr. Gregory: Mr. Speaker, it is my understanding that the social development committee is sitting next Monday and there have been some arrangements so that it can be dealt with at that time.

The Deputy Speaker: Mr. Gregory asks for clarification. Perhaps one of the House leaders might answer.

Hon. Mr. Gregory: Could I then ask permission to waive the five-day period, Mr. Speaker?

The Deputy Speaker: Hon. Mr. Gregory asks for permission to waive the five-day period. Is that agreed?

Mr. McClellan: No, no.

The Deputy Speaker: It will have to be unanimous.

House in committee of the whole.

REGIONAL AND METROPOLITAN MUNICIPALITIES AMENDMENT ACT (continued)

Resuming the adjourned consideration of Bill

86, An Act to amend certain Acts respecting Regional and Metropolitan Municipalities.

On section 7:

The Acting Chairman (Mr. Rotenberg): Mr. Swart moves that section 7 of Bill 86 be amended to read:

"Subsection 39(1) of the Regional Municipality of Sudbury Act, being chapter 441 of the Revised Statutes of Ontario, 1980, is repealed and the following substituted therefor:

"(1) The board of commissioners of police known as the Sudbury Regional Board of Commissioners of Police is continued and shall consist of,

"(a) three members of the regional council appointed by resolution of the regional council; and

"(b) two persons appointed by the Lieutenant Governor in Council."

Do any members wish to speak to this amendment?

All those in favour of the motion will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Shall the vote be stacked? Is it agreed to stack it until 10:15 p.m.?

Some hon. members: No.

The Acting Chairman: Is it agreed to stack it until 5:45 p.m.?

Some hon. members: No.

The Acting Chairman: We do not have unanimous consent.

The committee divided on Mr. Swart's amendment to section 7, which was negatived on the following vote:

Ayes, 37; nays, 55.

Section 7 agreed to.

On section 8:

5:20 p.m.

Mr. Chairman: Mr. Swart moves that section 8 of Bill 86 be amended to read as follows:

"Subsection 110(1) of the Regional Municipality of Waterloo Act, being chapter 442 of the Revised Statutes of Ontario, 1980, is repealed and the following substituted therefor:

"(1) The board of commissioners of police known as the Waterloo Regional Board of Commissioners of Police is continued and shall consist of,

"(a) three members of the regional council appointed by resolution of the regional council; and,

"(b) two persons appointed by the Lieutenant Governor in Council."

Mr. Swart: Mr. Chairman, this amendment does to the Waterloo act what all of the other amendments did to the other regional municipalities. I am not going to take any time to put forth all the arguments that have already been stated on numerous occasions, except to say this will improve the operation of the police force in the Waterloo area.

Mr. Breagh: Mr. Chairman, on a point of order: It is very difficult to hear the chair, let alone other members, because of the clamour in the chamber.

Mr. Chairman: The member's point of order is well taken. I would ask the members again if they could be quiet as they move about the chamber.

We were hearing the House whether there is unanimous agreement to stack for 10:15 this evening.

Vote stacked.

On section 9:

Mr. Chairman: Mr. Swart moves that section 9 of Bill 86 be amended to read as follows:

"Subsection 112(1) of the Regional Municipality of York Act, being chapter 443 of the Revised Statutes of Ontario, 1980, is repealed and the following substituted therefor:

"(1) The board of commissioners of police known as the York Regional Board of Commissioners of Police is continued and shall consist of,

"(a) three members of the regional council appointed by resolution of the regional council; and,

"(b) two persons appointed by the Lieutenant Governor in Council."

All those in favour of Mr. Swart's amendment to section 9 will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Vote stacked.

Section 10 agreed to.

Mr. Renwick: Mr. Chairman, following the passage of section 10, I would like to move an amendment.

Mr. Chairman: Mr. Renwick moves that Bill 86 be amended by adding thereto the following section:

"10a.—(1) Subject to subsection (2), on and after January 1, 1985, the Metropolitan Board of Commissioners of Police shall be composed of:

"(a) the chairman of the metropolitan council;

"(b) one member of the metropolitan council appointed by the metropolitan council;

"(c) one member of the council of each area municipality, not a member of metropolitan council, appointed by the area municipality;

"(d) nine members, not members of any area municipality council, appointed by the metropolitan council; and

"(e) two members appointed by the Lieutenant Governor in Council

"(2) In making any appointments under subsection (1), regard shall be had to the cultural, racial, social and economic complexity of Metropolitan Toronto to ensure that the metropolitan board reflects that complexity."

Mr. Renwick: Mr. Chairman, it will not be necessary for me to elaborate at length on this proposed amendment to the bill as we talked about it and gave the reasons why we wished this amendment to be passed at the time of the the bill's second reading.

I think the purpose is quite obvious. The existing board, and the board as it will be in Metropolitan Toronto when section 10, which we have just passed, comes into force, is much too small to represent in any meaningful way a metropolitan area that comprises not only a large geographic area, but also has within its boundaries a large population of diverse interests, backgrounds and concerns.

We put this proposal forward because we believe that the time has come when a more representative board of police commissioners must be in place for Metropolitan Toronto. I said on second reading that I had selected a prime number, number 19. I do not have a great deal of concern about what the number is as long as the principle is accepted that there will be a substantial increase in the number of members of the Metropolitan Board of Commissioners of Police for the purpose of establishing a board representative of the complex community in which we live.

It will be noted that in subsection 2 I have tried in my own particular way to give a concise wording to the need to recognize that complexity. That is why I have proposed that in making any of the appointments to such an enlarged board, attention shall be paid to the cultural, racial, social and economic complexity of Metropolitan Toronto to ensure that the metropolitan board reflects that complexity.

5:30 p.m.

I was listening this morning to the Metro Morning radio program preparatory to coming

down to the assembly. On that program there was a brief discussion of this issue by Michael Gee, the alderman for ward 10, I believe, and Dorothy Thomas, the alderman for ward 9.

I had the sense that Alderman Gee put forward the proposition that he was concerned about the numbers, because the matter had been raised in one of the committees at city council in which the number of members used was 19. He said, "Obviously, that is much too large a commission." Then he went on to say, "But, of course, a commission of seven or nine would make sense." That is my interpretation of what he said.

If there has been any impact at all upon this assembly and upon the Solicitor General (Mr. G. W. Taylor) of the need to increase the numbers, then I have no problem in moving from 19 to a representative board made up of nine. That would be a very substantial improvement in the size of the board from the point of view of representation.

I cannot conceive that there is any fundamental, ingrained objection by the government to consider the need for an enlarged board in Metropolitan Toronto. It is simply not adequate to have a board of the size and the composition of the existing board if one expects, at any time, to provide some sense of adequate representation for the diverse community in which so many of us live; that is, the Metropolitan Toronto area.

I had thought the particular delineation of members set out in my proposed amendment spoke somewhat for itself. I leave each member of the assembly to consider the actual composition which happens to add up to the number of 19. However, if the Solicitor General, between now and 10:15 tonight—when it would be possible for us to divide on this bill—were prepared to bring in an amendment that would provide for a significant increase to, say, nine members of the Metropolitan Board of Commissioners of Police, I would be the first one to congratulate him and to accept any such substitute amendment.

I will be interested in what the minister has to say. He is the first person holding the office of Solicitor General who has shown any open-mindedness about the composition of the boards of police commissioners across the province. The bill which we are debating, and the proposed amendments to the Police Act in Bill 87, which will be before the committee when this bill is dealt with, mirror that sense on his part

that the antique method of composing police commissions is no longer adequate.

I am urging him and asking him to make a positive statement in this debate about what his intention may be with respect to the size of the Metropolitan Toronto police board.

I cannot conceive that anyone would be so narrow-minded in his view of the amendment that we are simply talking numbers. We are not talking numbers; we are talking numbers on the road to establishing a representative police commission.

I represent, as a number of other members in the assembly represent, ridings within the city of Toronto. Others represent ridings within each of the cities and boroughs that comprise the other aspects of the Metropolitan Toronto area. I would think that there is not a single one of those members who does not, deep down in his own conscious thinking, know that the time has come when the representative nature of the Metropolitan Board of Commissioners of Police must be reflected in an enlarged board.

I need not say anything further. The minister, coming from Barrie as he does, has goodwill for the Metropolitan Toronto area, and I can feel it coming now; I know he is about to stand in the House and say that by 10:15 tonight—

Mr. Ruston: Don't hold your breath.

Mr. Renwick: I do not intend to hold it until 10:15, but I know him well enough. I know the kind of open-mindedness he has. I know the spirit of magnanimity with which he approaches these issues. I know the urging he is receiving from his deputy and the members of his staff under the gallery.

I know he would not want to pit himself against the top echelons of his advisers in his own ministry, let alone against the wishes of the Tory members of the Conservative Party who represent the Metropolitan Toronto area, such as the member for Oriole (Mr. Williams), who would like to have the Board of Commissioners of Police, as I do, more representative of the complex metropolis in which we live.

I notice the member for Oriole is obviously in agreement, because he has not denied in any way that he shares my concern. I can say to the member for Oriole that if Michael Gee, the alderman on Toronto city council, thinks that while 19 may be a little bit ridiculous, seven or nine would be a very appropriate number, then I am sure the member of Oriole would be swayed by that argument. I wait therefore with eager anticipation the response of the Solicitor General to the proposed amendment.

Mr. Spensieri: Mr. Chairman, I wish to add a few comments on the proposed amendment from my friend the member for Riverdale. I wish to say at the outset that I sincerely believe the amendment embodies some principles that are worthy of support.

The difficulty we see on our side of the House is that we feel the issue of amending the Metro composition is a matter that is already the subject of some widespread debate at this time before the Metropolitan Toronto council. Resolutions are in the works, or may even have been passed as we speak, whereby the Minister of Municipal Affairs and Housing (Mr. Bennett) will be asked to introduce specific legislation dealing with what is essentially a matter for the Metropolitan Toronto council.

It would appear to me that while there is a great deal of merit in enlarging the numbers and in reflecting the cultural, racial, social and economic complexity of Metropolitan Toronto, when we are dealing with this type of essentially municipal legislation of a complex nature, it would be more in order to have available to us the complete and detailed report of the select committee that has been studying the amendment to the Police Act, and by definition, by importation, amendments to Bill 86.

It would also be more in order, in my submission, to have the exact requirements of the Metropolitan Toronto council delineated to us by the appropriate resolution, which would then go on its merry course before the Minister of Municipal Affairs and Housing.

Therefore, while we support the principle contained in the proposed amendment, we will not be supporting it at this time.

Mr. Chairman: All those in favour of Mr. Renwick's amendment to Bill 86 will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Vote stacked.

Sections 11 and 12 agreed to.

5:40 p.m.

POLICE AMENDMENT ACT

Consideration of Bill 87, An Act to amend the Police Act.

On section 1:

Mr. Renwick: Mr. Chairman, I am not quite certain which section it will be, but it is my understanding the minister will be proposing an amendment that in substance meets one of the amendments to which we had made reference

with respect to clarifying the question of the non-eligibility of judges for positions on police commissions.

I assume that is still the minister's intention, therefore, it is my wish to move one amendment so the record will show what our concerns are about Bill 87. It is consistent with the amendments of my colleague the member for Welland-Thorold (Mr. Swart) with respect to the regional boards of police. I did distribute copies of the amendment some time ago, but there are some further ones available should anyone wish to have a copy.

Mr. Chairman: Before putting this motion, was the member also asking a question of the minister as to whether he did have an amendment? I understood you to say that was your understanding.

Mr. Renwick: It will be subsequent to this amendment. That is my understanding.

Mr. Chairman: Mr. Renwick moves that section 1 of Bill 87 be amended to read as follows:

"1. Subsections 8(2) and (4) of the Police Act, being chapter 381 of the Revised Statutes of Ontario, 1980, are repealed and the following substituted therefor:

"(2) Subject to subsections 2a and 3, the board shall consist of,

"(a) the head of the council;

"(b) one person appointed by resolution of the council; and

"(c) one person appointed by the Lieutenant Governor in Council.

"(2a) The board of a municipality,

"(a) that has a population of more than 25,000 according to the last municipal census; or

"(b) whose council determines by resolution that this subsection shall apply to the municipality,

"shall consist of,

"(c) the head of the council;

"(d) two persons appointed by resolution of the council; and

"(e) two persons appointed by the Lieutenant Governor in Council.

"(4) The council shall provide for the payment of a reasonable remuneration, not being less than the minimum prescribed by the regulations, to the members of the board appointed by the Lieutenant Governor in Council or the Solicitor General and may provide for the payment of allowances to the other members of the board."

Mr. Renwick: I have a brief comment, Mr. Chairman. The purpose of this amendment was

reflected in all the remarks my colleague the member for Welland-Thorold and other members have made about the question of reversing the balance on the police commissions to reflect the municipal representatives having a balance in favour of their representation over the representation of the members appointed by the Lieutenant Governor in Council. That is all this proposal reflects. The arguments have all been ably put on the preceding bill.

It is not our intention to divide on the matter, but for reasons of consistency we did wish to make it absolutely clear on the record of the House on the debate of these two companion bills that we want to ensure, in those larger municipalities of 25,000 or more or any other council that determines that this provision will apply, that in substance the police commission board would be composed of the head of the council and two persons appointed by resolution of the council, which are three municipal persons on the board, and that the other two persons be appointed by the Lieutenant Governor in Council.

It is an attempt to reflect the translation of the three appointed by the Lieutenant Governor, to reduce that number to two and to enlarge the number representative of the municipality directly.

Again, the amendment has all the persuasive force my colleague the member for Welland-Thorold and others have brought to bear in trying to persuade the government to accept the other amendments, some of which have been voted on and others which will be voted on at 10:15 tonight in reference to Bill 86.

I commend this amendment to the care and attention of the Solicitor General (Mr. G. W. Taylor).

Mr. Chairman: All those in favour of Mr. Renwick's amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Motion negatived.

Mr. Renwick: I have no further amendments. I eagerly await the amendment to be proposed by the Solicitor General.

Mr. Chairman: Hon. G. W. Taylor moves that section 1 of the bill be amended by adding thereto the following subsections:

"(2) Section 8 of the said act is amended by adding thereto the following subsection:

"(4a) No judge or justice of the peace shall be appointed as a member of a board.

"(3) Subsection 8(4a) of the said act, as

enacted by subsection (2) of this section, does not apply to a judge or justice of the peace who is a member of a board on the day this act comes into force."

Mr. Renwick: I would like to make a brief comment on the amendment proposed by the Solicitor General.

First of all, I welcome the amendment. It is consistent with the intention we had expressed on second reading of Bill 86 and Bill 87 that we would propose the kind of amendment that would make it very clear judges were not eligible as members of police commissions. I was delighted when the Solicitor General indicated he was prepared to accept such an amendment.

When the amendment came forth amending the Police Act, I had an opportunity to have a conversation and discussion about the adequacy of this amendment to the Police Act to deal not only with boards of police commissioners under the Police Act but also to deal with boards of police commissioners under Bill 86 which we have just been dealing with related to the composition of regional boards.

I am satisfied with the legal explanation of interpretation given to me by the senior adviser to the minister on legal matters in his ministry that the bill accomplishes that purpose. I would appreciate it if the Solicitor General would confirm that is so in any remarks he cares to make on his amendment, but I accept that and that we are clearly establishing that judges are not eligible for appointment.

5:50 p.m.

The second technical matter of construction which was of concern to me is that while there is a grandfather clause to protect those judges who at present sit on boards, I wanted to make certain those judges were not eligible for reappointment at the expiration of any term. I was instructed that few of them are appointed with any particular term or any particular duration in time, but that the impetus has been for judges to tend to withdraw from the police commissions across the province when it has been relatively clearly indicated in the amendment we passed some years ago that it would be best if they did not serve.

I understand the numbers are reducing quite rapidly and it may well be not a long time until the intention of this Legislature when these bills are passed will be reflected in the fact that no judges sit as members of police commissions. I am sure the Solicitor General has the statistical

information available to him and he may want to share that with us.

We will support this amendment.

Mr. Spensieri: Mr. Chairman, we on this side welcome and are supportive of the amendment. There is a concern that perhaps should be raised at this point and which the Solicitor General could address himself to. Hitherto, the judges who have served on commissions have done so in an admirable capacity and have been able to provide the procedural safeguards which are so essential to the operation of these boards and so important in dispensing that level of fairness which I think is well reflected in the rules of natural justice.

While the Solicitor General now has a new-found freedom to appoint from a larger group of qualified individuals, he will no doubt have to consider what safeguards can be put in place to provide for at least one member to have the technical expertise and the procedural knowledge, at least in regard to public hearings and hearings in which representations by members of the public are made.

Therefore, while we welcome the removal of this impediment to otherwise qualified individuals, I would be appreciative of the Solicitor General's comments as to what steps and guidelines he would follow in ensuring that individuals with technical expertise are present on these boards.

Hon. G. W. Taylor: Mr. Chairman, watching the clock as best I can, I was just going to add to the comments of the two members in that the two members have made a point of this. I think the act, the way it is amended, specifically spells out now that judges may not participate in appointments to boards. I think the member for Riverdale has that assurance.

Where terms have expired, I have not put into place or recommended to cabinet further appointments of judges. I think what we are directing here, albeit the judges have performed admirably, as the honourable member has suggested, and have done excellent service to the province, there is a feeling, both within the community of the judges and within this minis-

ter's feeling, and I think the editorial writers follow that, that there should be a direct appearance of the segregation of the judges.

Albeit I know if there were any conflict of interest or any difficulty in that way they would certainly declare it and not participate, one has to have that overall appearance of being independent. I think judges today, with all the charter actions and other ones, feel there should be total independence of the judiciary and this is one more situation where they can gain that independence. Although service on these boards is voluntary they can be independent and, if not, we can get qualified individuals elsewhere.

I cannot give the member for Yorkview (Mr. Spensieri) any assurance the members serving on the boards will be technically able to carry out all the duties of the statute, the hearings and other duties. One must recognize that all these boards can purchase knowledgeable experts to conduct their situations properly, but sometimes not even all lawyers retained are capable of providing that service.

I know some municipalities feel that having a judge or lawyer on the board has provided free technical advice over the years. However, I think we as lawyers would agree it would be better to purchase independent advice rather than seeking it from somebody on the board. So I would say to the member the boards would be wise to seek outside counsel to advise them when they get into technical difficulties as they carry out their functions.

Section 1, as amended, agreed to.

Sections 2 and 3 agreed to.

Bill, as amended, ordered to be reported.

On motion by Hon. G. W. Taylor, the committee of the whole House reported one bill with a certain amendment and progress on another bill.

Motion agreed to.

Mr. Mancini: Mr. Speaker, do you think it is worth while for us to come back?

Mr. Speaker: Please do.

The House recessed at 5:58 p.m.

ERRATA

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80	2933	1	3	scrutinized by the province in the first year.
80	2933	1	6	apply."
No.	Page	Column	Line	Change necessary:
80	2939	2	54	Please delete heading "Answers to Questions Taken as Notice."

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Hansard

Official Report of Debates

Legislative Assembly of Ontario

Third Session, 32nd Parliament

Tuesday, November 15, 1983

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday, November 15, 1983

The House resumed at 8 p.m.

CENTRAL TRUST COMPANY ACT

Hon. Mr. Elgie moved second reading of Bill 97, An Act respecting Central Trust Company and Crown Trust Company.

Hon. Mr. Elgie: Mr. Speaker, as I indicated when this bill was introduced on October 21, the purpose of the bill is to substitute Central Trust Co. for Crown Trust Co. in respect of Crown Trust agency and trust business, and thereby vest in Central Trust all real and personal property held by Crown Trust in its estates, trust and agency business so that the rights and obligations of those who have had such business dealings with Crown Trust can be clearly determined. This general purpose is set out in section 1 of the bill.

The remaining sections of the bill carry out in specific detail the intent and purpose as spelled out in section 1. Section 2 of the bill makes it abundantly clear that nothing in the bill affects the rights of any person having a claim against Crown Trust in respect of that company's agency and trust business.

Mr. Nixon: Except the preferred shareholder.

Hon. Mr. Elgie: No, it does not. This bill is aimed at maximizing returns for the preferred shareholders.

Nor does it impair, modify or affect the liability of Crown Trust Co. to any such person. This section also provides that all such acts as may be enforceable in Ontario may be asserted against Central Trust, which shall be responsible for all debts, liabilities and obligations of Crown Trust with respect to Crown's agency and trust business.

The bill would not apply to property held by Crown Trust for its own use or to property held by Crown as trustee situate outside of Ontario for which Crown Trust is not subject to an Ontario court. The bill will also not apply to funds received for guaranteed investment by way of guaranteed investment certificates which have previously been transferred to Central Trust Co. under the authority of the Crown Trust Company Act.

Section 4 of the bill is the primary operative provision which carries out the purpose set out

in section 1 of the bill. Sections 6 and 7 are transitional provisions preserving the rights and status flowing out of the existing trusteeship and agency business of Crown Trust.

This legislation will provide in a very clear and detailed manner for the transfer of the trusteeship and agency business of Crown Trust to Central Trust and will preserve the rights of those persons in Ontario who have had relationships of this kind with Crown Trust. For this reason I urge that the bill be considered expeditiously by this House so the rights and interests of those people may be provided for as set out in the bill as soon as possible.

Mr. Boudria: Mr. Speaker, our party does not intend to delay this bill unduly, but that does not mean we are for the bill as we see it at present. The bill has been introduced in this House as appearing to be one merely of housekeeping, but in effect the information we have at present is that it will be giving away one of the very last business assets of Crown Trust, the value of the estates, trust and agency business.

As the minister stated on first reading, Central Trust makes certain payments of compensation to Crown Trust for the lucrative privilege of managing these estates, trusts and administration portfolios. But to permit this bill to go forward, in the words of the investment broker representing the thousands of Crown Trust preferred shareholders, is in effect permitting the theft of a very valuable asset, and I am quoting words he used in a conversation he had with us.

It must be remembered that as it stands now, the only hope those preferred shareholders have of recovering any of their nearly \$20 million investment is if there is money left with Crown at the end of Central Trust's five-year period of management. It would seem obvious that if the estate, trust and administration portfolios were to remain with Crown, their sale, according to usual business practice, could yield something for these terribly abused and totally innocent investors.

Although the government may have been too busy to consider the situation of preferred shareholders, we cannot permit another occasion of abuse as potentially exists in Bill 97

without some restitution being made to the investors. Most are seniors, and their preferred shares yielded dividend income; for many, it was their only source of income beyond a meagre sum from the Canada pension plan. Since this government seizure, not one dividend has been received. The hardship created by this government neglect does not receive much attention.

I would like to tell this House of one of many cases of financial ruin created by the treatment of preferred shareholders. In the early 1960s, a farmer lived in the area near Brampton. He retired and sold his farm, receiving a sum of some \$500,000. On broker's advice he invested this in Atlantic Acceptance Corp. Remember them? All members know the story of that government-created disaster.

Hon. Mr. Elgie: On whose advice?

Mr. Boudria: On a broker's advice. I would trust that the minister's government had something to do with the regulatory process governing that particular agency as well.

All members know the story of that disaster. Nearly 10 years later, the farmer recovered a sum of \$150,000. That is all he could salvage from his original \$500,000 investment. Having learned his lesson, this farmer went to see another broker to get much better advice on a more prudent investment.

Mr. Nixon: I think he went to his provincial member for advice.

Mr. Boudria: It is quite possible that he went to his MPP as well. I am sure he, along with everybody else, would have thought investing in Crown preferred shares was as safe an investment as any in North America.

Just last week, the same farmer had all his household furnishings seized for debt. He has binder twine on his shoes. He has applied for welfare and now lives in Hamilton. He started off with \$500,000, and he never spent a cent of it. This is the result of the regulatory fiasco for this gentleman. It is a very sad case.

What, then, is the value of the very significant assets of Crown Trust which have been handed over to Central Trust? We have yet to be told. At the very least, they are worth two to three times the annual income yielded to the trust company collecting the commission. No information is currently available on this as Crown has had no published audited statement since the government took it over.

A huge range of questions emerge when the value of the assets and the consequence of their

giveaway are considered. It is imperative that a committee of this Legislature have the opportunity to ask those questions and to hear from those affected, to hear from the seniors and all the other people who had money invested in Crown Trust.

There are witnesses who should and could come to this committee, such as Crown Life-Extendicare, a losing bidder for Crown Trust, that possibly could have protected those preferred shareholders. It will be interesting to see what everyone has to say on this issue if we can get this bill in front of the committee.

8:10 p.m.

My colleague the member for Kitchener (Mr. Breithaupt) spoke extensively on Bill 215, the predecessor to this legislation, earlier this year. He spoke eloquently on the forgotten Crown preferred shareholders and their plight and suffering. The member for Waterloo North (Mr. Epp) also spoke on property rights in this Legislature and proposed a resolution all of us will recall.

We should all remember there is a very serious issue at stake when the people of this province see their life savings disappearing before their eyes. To own a very large retirement account portfolio and to see it totally disappear overnight and have nothing left is a very unfortunate thing. I am sure the minister would agree this is a very sad event. Each and every one of us has to bring the concerns of those people to this Legislature through the mechanism of having those people address our committee.

That concludes my remarks. I think the member for Kitchener will be in later and will be commenting on this bill as well. The way the bill stands at this point, we intend to oppose it. If we can get the amendments we are looking for in committee, we will decide at that point what will happen to it on third reading. But it is offensive the way it appears to us at present.

Mr. Nixon: On a point of order, Mr. Speaker: I know you will want to recognize the presence in your gallery of Dr. Donald MacDonald of Atkinson College at York University and some of his protégés. Don can pick the active nights in this chamber to bring his class down and we would like to welcome him. The interesting thing is they actually pay him to do this. I do not know whether members noticed that I referred to him as Dr. MacDonald. York University honoured our former colleague with an honouris

causa degree. In his case, I think it was fully merited.

Mr. Speaker: It is very nice to see the former member. Seeing him around here on a fairly regular basis, indeed a very regular basis, I did not think it was necessary to draw attention to him, but we are always happy to recognize his class. We are very happy to have him, and I advise all honourable members I shall be meeting privately with the group a little later.

Does any other member have anything to say on this bill?

Mr. Swart: Mr. Speaker, I want to make some very brief comments on this bill. There are two immediate thoughts that come to mind. One is that I think from our point of view and a caucus point of view it would be rather absurd to oppose this bill at this stage some 10 months after the decision was made to take this step. More than that, we think the bill probably provides as much security as is possible by transferring these assets and liabilities from Crown Trust to Central Trust.

The second thought that comes to mind when I read over this bill is that it sure makes a mockery of the principle of the resolution that was introduced by the member for Essex South (Mr. Mancini) and passed, that all agreements and documents should be worded in simple language and in short sentences.

When I look over this bill I notice on page 3 that the first subclause runs for 21 lines, contains more than 200 words and is all in one sentence. Many of the other paragraphs are similar to that, although none of them are quite that length. However, it has been written by lawyers and therefore I presume that everything that is in these wordy paragraphs is very necessary to provide the safety and security that is necessary in this bill.

Having said that we will support it, there is one question I would like to ask the minister. That question relates to the mandatory provisions of all the transfers and what opportunities trustees would have if they wanted to take their assets or business to some trust company other than Central Trust. Do they have this opportunity in any way through the courts, or in any other way, or is everything tied up there as it would be tied up if Crown Trust was still in a position to honour the commitments it had made?

The other qualification I want to make was referred to by the member for Prescott-Russell (Mr. Boudria). Because of the very real likelihood of substantial losses for too many of these

people, there should be the opportunity for the committee to delve into the negligence that surrounds this whole matter, and perhaps at some stage, as was the case with the Re-Mor Investment Management Corp., some reimbursement should be made to these people for any losses or losses they will sustain.

However, we are not going to hold up the bill because of that. We believe the committee consideration this winter of the reports that were tabled by the minister today will give members of all parties the opportunity to examine the degree of negligence or at least to push for a fuller examination of the degree of negligence on the part of the government. That certainly has not been established yet.

There certainly is reason to believe there is gross negligence on the part of the government as was indicated by the leader of my party and other members of the opposition in the House today. If the same kind of negligence shows up a second time, as it did with Re-Mor and Astra Trust Co., then this government must accept its responsibility for reimbursing the investors of Crown Trust and these people who, through no fault of their own, are losing substantial sums of money.

Those are the comments in brevity which I wanted to make on this bill. I want to say once again that we will be supporting it because we think it is one step that will not preclude any other opportunity the investors may have of getting recompense, and provide in the meantime, perhaps, the fullest degree of security for what assets they may have until further steps may be taken by the committee to determine the degree of negligence on the part of the government in this whole trust fiasco.

Hon. Mr. Elgie: Mr. Speaker, I am a little disappointed, because the member for Prescott-Russell indicated the member for Kitchener wanted to speak on this, but I will respond by telling him, and I say this with respect, that there is some honest misunderstanding of the purpose of this bill.

8:20 p.m.

If I am not mistaken, the information I have now received is that the preferred shareholders' representative now has a better understanding of the purpose of the bill. But I understand the reasons the member put forward reflect the views of the preferred shareholders. I want to assure him that this is not in any sense a bill that is giving away a remaining asset of Crown Trust.

The member will recall that with the passage

of the Crown Trust Act last February, all of the assets, including the estates, trust and agency accounts, were transferred to Central Trust Co. to be managed by them.

Because the estates, trust and agency accounts have to be dealt with on a province-by-province basis, each of the involved provinces, British Columbia, Alberta, Manitoba, Saskatchewan and Quebec have been contacted, as they were when Royal Trust reorganized and as they were when, I believe, Montreal Trust reorganized for exactly the same type of legislation. It is legislation which simply transfers the obligations and the rights with respect to those who have claims against Crown to Central Trust.

Let us understand that in that sale, if one wants to call it that, of the assets of Crown to Central, it was agreed that each of them—the intermediary business, the fiduciary business and so forth—had a value. The contracts, far from being hidden, were tabled in this House. The contracts clearly reflect that there is to be some payment for each portion of the assets, including the estates, trust and agency accounts.

In order to finalize that in a way that is meaningful for the benefit of the creditors and shareholders of Crown Trust, it now has to be enacted in legislation so that the rights that people have against Crown will become rights against Central Trust. Without that, let us be very frank about it, there could well be some with estates, trust and agency business who choose to apply to the courts to withdraw that from Central Trust to the detriment of the preferred shareholder. I say that very deliberately because I want the member to clearly understand what we are talking about.

We all understand the plight of the preferred shareholders. I do not want to be argumentative in any way, particularly with Dr. Donald MacDonald in the gallery. He never argued with anybody in this House. He was always open, sincere, nonpartisan, nonprovocative—or was that the same Dr. MacDonald? I cannot recall.

Interjections.

Hon. Mr. Elgie: You mean he was on occasion a little provocative. Of course, the member for Brant-Oxford-Norfolk (Mr. Nixon) would know far better than I. I remember him only as a friendly, giant teddy bear who was always willing to co-operate and help in all ventures. He was a remarkable man and we all miss him very much.

We all understand the plight of the preferred shareholders. I understand, in this important game we play in this Legislature, that it is nice to

say there was negligence in this. But let us analyse the Crown Trust situation. Crown Trust was acquired by the new owner on October 7 and within virtually one month an investigation was commenced into its business. That eventually led to legislation in December, which led to possession and control on January 7.

I do not think anyone seriously looking at this issue would consider there was any negligence in any way by anybody by the wildest stretch of the imagination. The government's actions in Crown Trust were aimed at preserving something in the interest of creditors and shareholders.

It is nice to talk about Crown Life Insurance Co. as a bidder, but Crown Life was not a bidder for the assets of Crown Trust. Crown Life negotiated with Mr. Rosenberg for the acquisition of his shares, with an amount of money going to Mr. Rosenberg as a result of that proposal.

I clearly stated in this House on January 17 that this government would not be involved in any transfer unless all the depositors, all the preferred shareholders and all the creditors, including the Canada Deposit Insurance Corp., had their obligations met first. So it is really misleading to say that. I do not mean that in the sense that we are trying to kid anybody, I understand that.

It is not the centre of the experience, as Governor Jerry Brown used to say, to talk about Crown Life because Crown Life was negotiating with Mr. Rosenberg for his shares. They were not involved in the five applications received with respect to acquiring the assets because they were not a trust company. They do not have a trust company licence, therefore they could not. They were trying to acquire shares which would have given them ownership of the trust company.

The member for Welland-Thorold (Mr. Swart) asked what the options are with respect to trustees removing any estate, trust and agency accounts. This does not change the ordinary rights one would have against an operating company in good standing. In other words, whatever legal rights one has with respect to Crown Trust can now be exercised with respect to Central Trust just as they could in the ordinary course of business.

In other words, a beneficiary can still go to court at any time and apply for a change in trustee under circumstances that have to be proved in court. They could do this before this bill was enacted except that now, with Crown Trust standing as the possessor of only soft

assets, it is in a vulnerable position. Recoveries with respect to the preferred shareholders and creditors are therefore at jeopardy in some degree.

The member for Welland-Thorold also talked about a committee to delve into the negligence that surrounds Crown. I have tried to deal with that pretty honestly in my remarks to the member for Prescott-Russell. I think it would be far-fetched to suggest that if there was any negligence anywhere, and I honestly have serious doubts about that, it occurred in the case of Crown Trust.

I appreciate the points members have made. With the greatest of respect, I think it would be a tragedy to delay passage of this bill. I understand from the House leader it is the wish of that party that it go to a standing committee. I will not oppose that wish. But I do hope some option is available to allow this to go to committee of the whole to resolve it in a more expeditious manner. This is not because there is any reason it should not go to a standing committee, but because I think members will find those wishing it to go now have a better understanding of the bill.

I do not know how one handles that, Mr. Speaker, I will be honest about that. My experience in matters between House leaders is not that extensive.

Mr. Conway: I would not move an inch without calling Bill Macdonald myself.

Hon. Mr. Elgie: That is the member's problem, but then he has relationships with a number of people in the province, of whatever religion. He always has to phone someone to make certain what they are and whom they are with. As a matter of fact, I recall there is some interest by some members of this House in having a provincial bird. Some might think the blue jay. I am interested the member thinks the cardinal should be the provincial bird. Is it true the member has made that suggestion?

Mr. Speaker: Has this anything to do with the bill? Back to the bill.

Mr. Conway: You are the judge of that, Mr. Speaker.

Hon. Mr. Elgie: Mr. Speaker, I have concluded my remarks.

Mr. Nixon: Mr. Speaker, on a point of order: The minister has indicated there are concepts in his own mind about whether or not this should go to a standing committee or the committee of the whole House. I suppose it is possible that it go to both committees. However, it is true he

has an understanding that the official opposition has requested that it go to standing committee. I do not feel it would needlessly hold up clause-by-clause consideration of the bill. I am sure it could be arranged that one of the standing committees could deal with it expeditiously.

The minister may have cleared up the matter, through his colleagues and assistants, with those people who have registered their objections with us. We are not aware of that, although we are quite prepared to accept the minister's explanation. We do feel a reference to the standing committee would be in order. Since, in the minister's view, there would be no one objecting to the specific provisions it certainly would be a very short reference indeed. We appreciate the fact that he is not seriously standing in the way of such a reference. We would hope he would allow the bill to go out to standing committee.

8:30 p.m.

Mr. Speaker: Hon. Mr. Elgie has moved second reading of Bill 97.

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

Hon. Mr. Elgie: Mr. Speaker, I am content to have the bill go to a standing committee of the Legislature.

Mr. Speaker: Does it matter which committee, or are you going to name a committee?

Hon. Mr. Elgie: I am not going to name it. I am going to let the House leaders decide.

Mr. Speaker: Somebody is going to have to say something. General government?

Mr. Nixon: Justice.

Mr. Speaker: Justice? Will somebody please give me some direction?

Hon. Mr. Elgie: It can go to the standing committee on administration of justice.

Mr. Speaker: There was no doubt about that at all. Everybody has agreed. Okay?

Bill ordered for the standing committee on administration of justice.

Mr. McClellan: What happens now?

Mr. Martel: What do you want to do with this now?

Mr. Speaker: Orders of the day.

Mr. Nixon: How about a little budget debate?

Mr. Conway: Mr. Speaker, is it possible, with 26 ministers, 18 parliamentary assistants and 69

Progressive Conservative members in their majority, that we have no business?

Mr. Speaker: There are 125 in all.

Mr. Martel: Mr. Speaker, we cannot order the business of the House, if you want us to do that.

Mr. McClellan: I would be happy to call an order, Mr. Speaker.

Hon. Mr. Elgie: Mr. Speaker, I think there was some understanding by my caucus that this bill of mine might well go to committee of the whole. I suspect this is the reason we are not ready at the moment.

Mr. Speaker: Obviously, that has been decided otherwise.

Mr. Nixon: Mr. Speaker, that is true, but if one looks at the business for Tuesday, when we complete second reading of Bill 97, which has just been completed, we go on to second reading of Bill 92, An Act to amend the Health Disciplines Act.

Mr. Speaker: I have called the orders of the day and nobody—

Mr. Nixon: I see the former Minister of Health is down at the door there. Perhaps he would—oh, no, I guess not.

Mr. McClellan: Mr. Speaker, are you saying the government has lost control of the House?

Mr. Martel: Mr. Speaker, if I might make a suggestion: if the Conservatives have a budget speaker they want to put up until the acting Minister of Health (Mr. Wells) comes, he might want to talk about anything.

Mr. Conway: Frank, give us your leadership pitch.

Mr. Martel: Frank, talk about anything.

Mr. Nixon: Tell us about your liaison with the New Democratic Party.

Mr. Speaker: Could we adjourn for 10 minutes?

Mr. Conway: Mr. Speaker, who is running the shop?

Mr. Martel: Bill Davis is sure going to be mad at this.

Mr. Speaker: Order.

Mr. Conway: I am almost tempted to make a motion of adjournment. With 26 ministers—

Mr. Speaker: Is it the pleasure of the House that we suspend proceedings for 15 minutes?

Mr. Mancini: No, it is not the pleasure of the House. We should be debating issues of concern in Ontario.

Mr. Conway: Donald MacDonald might favour us with a speech.

Mr. Speaker: I am going to suspend the proceedings for 15 minutes and I shall return at that time.

Mr. Nixon: Is this grave disorder?

Mr. Speaker: No.

Mr. McClellan: It is grave incompetence.

The House recessed at 8:34 p.m.

8:49 p.m.

HEALTH DISCIPLINES AMENDMENT ACT

Hon. Mr. Wells moved, on behalf of Hon. Mr. Norton, second reading of Bill 92, An Act to amend the Health Disciplines Act.

Hon. Mr. Wells: Mr. Speaker, first of all I apologize for the inconvenience the House has been caused.

Mr. Nixon: Never apologize, never explain.

Hon. Mr. Wells: I assumed the last bill would cause the Liberal Party to burst forth in five or six speeches, but I stand speechless at the fact that it went down to committee so quickly.

Mr. Conway: Unlike Lester Pearson you were not in Bermuda.

Hon. Mr. Wells: Never, never. In moving second reading of Bill 92, An Act to amend the Health Disciplines Act, I would like to explain to the House specifically what the bill is all about.

It does two things. First, it gives to the College of Physicians and Surgeons of Ontario the authority to suspend—

Mr. Conway: Do not read the notes.

Hon. Mr. Wells: We have them all ready here. It gives to the college the ability to suspend or restrict a physician's licence on an interim basis pending a hearing by the college's discipline committee, when the college's executive committee is of the opinion that the continuing practice of that physician might bring harm or injury to a patient. That is the first purpose of this amending bill.

The second purpose is it gives the college's current peer assessment program the needed regulatory authority. It gets that authority, of course, through this statute.

Currently, the College of Physicians and Surgeons can suspend the licence of a physician suspected of being physically or mentally incapacitated until the matter is determined by final decision of the college's fitness to practice committee or by the courts. However, this provision does not apply to physicians who are

suspected of professional misconduct or incompetence and are consequently referred to the discipline committee.

It often takes six to 18 months between the time an allegation is made against the physician and the time a decision is reached by the discipline committee. If there is a subsequent appeal to the courts by the doctor, then the time of delay is extended, of course, even further.

The college, therefore, considers interim orders to be essential for the protection of the public. But this necessity would be used, and I emphasize this, in only a very small number of cases each year, cases where it definitely is needed for the protection of the public.

The peer assessment program, a section of these amendments, refers to the regular review of a physician's practice by other physicians to ensure that the quality of patient care is being maintained. The college's program began on a voluntary basis as a pilot project in 1979.

Standards of patient care among 100 physicians were reviewed by physician assessors. In this project, patients' records were examined and an interview conducted with each doctor who was under assessment. In 1981, 197 physicians were assessed. Of the 15 physicians whose standards were judged deficient, none was considered to be neglectful or dangerous to patient care. I think that is very important to emphasize.

Physicians whose standard of care is considered to be deficient are, however, interviewed by the peer assessment committee and the process is considered to be an educational one. The committee does not have the right to revoke the physician's licence.

In the event the assessor discovers what is believed to be incompetence or misconduct, this would be reported to the registrar of the College of Physicians and Surgeons, who then has authority to appoint investigators. The result of the investigation could lead to the physician being tried by the discipline committee or being reviewed by the fitness to practise committee.

Mr. Conway: Could you amplify on that?

Hon. Mr. Wells: I will as we get into the debate. Currently, the peer assessment program is being run under the authority of a regulation. This regulation is now being challenged in the courts by the Association of Independent Physicians of Ontario which claims that the regulation affords no statutory authority to the program and that it violates patient confidentiality.

The college reports that the conduct of the assessors was acceptable to 98 per cent of those

whose practices were assessed. Approximately two thirds of the physicians visited reported that the assessment was beneficial to their practices. The college and the Ministry of Health also believe the program is especially helpful in monitoring the practices of physicians in solo practice who have little or no hospital exposure and who are thus seldom subject to the professional scrutiny of any of their colleagues.

One of the important issues in this program that has been raised by some members of this House and members of the public is the whole issue of confidentiality. We believe we have accommodated the concerns of, for instance, the Association of Independent Physicians of Ontario which has raised this as a major criticism of the peer assessment program. The names of the patient records selected for assessment may be withheld from the assessor if the physician believes this to be appropriate. Any patient information gained during the assessment must likewise be kept confidential and records may not be removed from the physician's office.

Mr. Conway: Or left in a parking garage.

Hon. Mr. Wells: I hope they would never be left in a parking garage.

Mr. Conway: You find them there every six months.

Hon. Mr. Wells: No, not these kinds of records.

Mr. Nixon: No. The doctors' records are much more carefully guarded. Heaven help us if they ever found out—

Mr. Speaker: Order.

Hon. Mr. Wells: I believe this gives the members of this House a very brief description of the two amendments in this bill. I think they will clearly understand the reasons behind these amendments and that these amendments are obvious safeguards to patient care in this province. I would urge the members to pass Bill 92.

Mr. Nixon: Mr. Speaker, in the continuing and unfortunate absence of the minister because of ill health, I for one feel quite confident that the member for Scarborough North (Mr. Wells) has added the duties of acting minister to his roster of heavy responsibility. I notice his friend the member for Muskoka (Mr. F. S. Miller) is hovering near him. Since his friend from Muskoka is a former Minister of Health as well, we have a sort of double whammy here tonight to try to force through the Legislature this departure in the governance of the medical profession.

There are those who feel I have developed a somewhat jaundiced view of the legal profession. Normally, I am quick to say that some of my best friends are lawyers. I really never met an individual lawyer I did not like and respect, but taken as a whole, they tend to be an overcharging group of people who are ripping off the community right and left.

I have to say that somehow or other that same attack of jaundice is transferring itself to the medical profession. I do not intend, under the discussion of the principle of this bill, to pursue that unduly because I see the frown on the minister's face is deepening. I do feel, however, that the ministry is not going beyond the bounds of reason when it gives the power to the college to effect interim orders removing from practice a medical doctor who is going to come under the general review provisions. I do not think this idea is unnaturally or unhealthily intruding on the rights of individual medical practitioners and it provides little enough protection for the consumers of medical care.

As a matter of fact, I think this House had better seize upon this expanding problem in a jurisdiction such as ours which is overserved with medical practitioners. The acting Minister of Health has not made any pronouncements about that, being the careful man he is, but his predecessor has frequently indicated that Ontario has too many doctors. In their efforts to live according to the income to which they would like to become accustomed, I have a feeling their services are perhaps more generally thrust upon the public than is generally acceptable.

9 p.m.

This House must concern itself more with the quality of medical practice. My experience with the royal college has been that while they respond to complaints, it is a major case indeed that leads the college to take any sort of mild disciplinary action. There has always been a feeling in my unprofessional, and I suppose therefore unwashed approach to most professions, that they spend a lot of their time in mutual protection. That is true of doctors and lawyers and, as we have seen in the past few days, it can sometimes be attributed to politicians.

Mr. Conway: I enjoyed that pay raise, short-lived as it was.

Mr. Nixon: You always have to say the obvious, but we will let it pass.

Mr. Conway: I am just an ordinary, little old member.

Mr. Nixon: How ordinary we all know.

The peer assessment provision is one that ought to be strengthened and made much more general than it is at present. The same criticism can be directed toward teachers, lawyers and other professionals. But so often this tendency towards professional self-protection leaves incompetence in the field to the detriment of consumers of professional services. Peer assessment is one way whereby we might improve the quality of medical practice across the province. My experience is that the quality is variable in the extreme. At the low end of the spectrum there seems to be very little remedy other than the old remedy of the buyer beware. Quite often, particularly in the case of the acquisition of professional medical assistance, it is a bit late for that kind of assessment when one puts himself or herself in the hands of a professional medical practitioner.

We support the bill. My colleague the member for Hamilton Centre (Ms. Copps) has extensive and important public duties tonight that she is hoping to perform and so be back in this House before the debate has concluded. If we are all lucky, that will be the case. I know she would want to add the benefit of her careful and in-depth research to this bill. The acting minister knows to what extent she, as our official critic in these matters, does do her research and brings her views to the attention of the minister's staff, which often result in improvement of legislation and certain administrative decisions associated with the ministry.

Mr. McClellan: Name one instance.

Mr. Nixon: With anything to do with doctors and medicine, everything is pretty well in camera. We have to protect the professional stance of the doctors. As has already been pointed out, all the official documents associated with them are guarded with the care that would normally be given to the plans for Fort Knox.

In general we feel this is an essential step forward but a very small one in a jurisdiction and circumstances where we, as members of the Legislature, in the future will be called upon to reinforce the processes of self-administering, discipline and review through the offices of the royal college and the procedures of peer assessment that are included in section 2 of the bill.

Mr. McClellan: Mr. Speaker, about the scientific research contributions of the member for Hamilton Centre to the Ministry of Health, the less said the better. She makes many exceptional contributions to the life of this Legislature, but solid research is not among them.

Mr. Mancini: If Sheila was a man, you wouldn't have said that.

Mr. McClellan: I will try to be brief. We also support the amendment to the Health Disciplines Act that is before us this evening, although I do have some questions I hope the minister will respond to with respect to part I of the bill.

As has been pointed out, the bill gives the executive committee of the college the power to suspend the licence of a practitioner or to impose such restrictions on the licence of a practitioner as the committee so designates. The criteria invoked in either suspending a licence or imposing such restrictions on the licence of a member as the committee so designates are the likelihood of the practitioner exposing the patient to harm or injury.

I seem to have lost the attention of the minister. I am hoping he will respond to this question when he replies.

If a practitioner, in the view of the executive committee of the college, is likely to impose harm or injury on one of his or her patients, why would there be an alternative to the simple suspension of the licence? I do not understand what is meant in the language of the bill when it says the executive committee may impose restrictions on the licence. Does that mean a doctor may continue to practise in some way, even though that doctor is likely, in the language of the statute, to expose his patient to harm or injury?

I think the minister needs to give the House some explanation about what those restrictions will look like. What are the kinds of limitations on the powers of a practitioner who is liable to harm or injure his patient? If the minister can reassure us that the government is finally giving the college the power effectively to discipline practitioners who are—in simple language—quacks who could be exposing their patients to injury or harm, that is eminently supportable. I suppose the only question is, why has it taken so long for the government to give the college precisely this kind of power?

I had not expected to participate in the debate this evening. My colleague the member for Windsor-Riverside (Mr. Cooke), who is our Health critic, is also being detained at other important public functions. He is expected back imminently. I left my extensive file, based on meticulous research I accumulated over the years when I was Health critic, in my office.

I seem to recall the case of a certain doctor in this community who was suspended from prac-

tice by the royal college and yet continued to pop up year after year in various offices, usually in the west end of Toronto strangely enough. It was further west, of course, than the boundaries of the great riding of Bellwoods. He continued to practice surreptitiously. The college and the ministry seemed to have enormous difficulties in dealing with this character. I assume this statute is designed to remedy that deficiency.

Again, if the minister can explain to us what is meant by the option of imposing restrictions on the licence, in addition to the suspension, I think that would go a long way towards reassuring those of us who intend to support the bill anyway.

Secondly, I want to make a few comments about the peer assessment section of the bill. I think the peer assessment provisions that are being added to the Health Disciplines Act are an important and significant move, if I may say so, towards a solution to the extra billing problem in this province. It has always been argued by representatives of the government that it is impossible for them to put an end to the practice of extra billing on the grounds that there is no other way for doctors of exceptional competence and merit to be remunerated for their exceptionality, for their enormous skill, for the extraordinary contribution they make to the practice of medicine.

9:10 p.m.

We are talking about a number of specialists in various fields of practice who, in everybody's estimation, exceed the skill, capacity and competence of their colleagues. They are in a league by themselves. The argument is always made that the only way to acknowledge their exceptional skill is to permit them to charge over and above the Ontario health insurance plan fee schedule.

In practice, this is not what happens. In some communities, 60, 70 or 80 per cent of the specialists are opted out, so this fact rather shoots that argument full of holes. Nevertheless, I think there is a kernel of truth in the argument that is made. It makes sense that a practitioner who is recognized as a world expert in his or her field of practice may be entitled to an additional remuneration over and above the OHIP fee schedule. If this is one way out of the extra billing which is threatening to destroy universal medical insurance, I for one am prepared to look at it.

It seems to me peer assessment offers one possible solution. There is nothing to stop the

Royal College of Physicians and Surgeons from instituting a kind of peer assessment program. Such a program would permit exceptionally skilled and competent practitioners to receive the assessment of their peers that they are entitled to additional remuneration on the basis of these extraordinary skills.

One possible development of the reform in section 2 of Bill 92 might be the development of an exceptional category of payment under the OHIP fee schedule. This could be provided to practitioners who, in the opinion of their peers, following a peer assessment, are entitled to additional remuneration because of the exceptional contribution they make to the practice of medicine.

I put this forward as a suggestion—I think in good faith—to the minister for his consideration, perhaps not even for an immediate response. I think there is precedent in Great Britain for precisely this kind of procedure. There are opportunities in Great Britain for the medical profession to sit in judgement on the performance of their colleagues and to make decisions about who of their colleagues are entitled to additional remuneration under the National Health Service.

Amazingly enough, it seems to work reasonably well in Great Britain, despite all the propaganda we read in North American newspapers. The medical associations in Great Britain are remarkably united in their support of the National Health Service. One of the reasons this is true is precisely that the peer assessment program has permitted members of the medical profession to acknowledge the exceptional merit of certain practitioners and to reward them financially in accordance with that recognition.

I think it is simply not good enough for the government to continue to say, "The only way an exceptional specialist can be recognized is to permit him or her to charge 40 per cent above the OHIP fee schedule." I do not think this is fair. I do not see why the hapless patient should be forced to bear the burden of remunerating an exceptional specialist. It does not make any sense. It seems to me that if one wants to build the merit system into the OHIP fee schedule, one can do it by adjusting the fee schedule on the basis of this peer review mechanism.

Mr. Conway: What is your proposal again? Just repeat the essence of your proposal.

Mr. McClellan: I have been asked to repeat the essence of my proposal. The essence of my proposal is to take the peer assessment provi-

sion that is being established in section 2 of this bill and to permit a second level of payment under the Ontario health insurance plan fee schedule for practitioners who, in the opinion of their peers, are entitled to what one might call merit pay on the basis of an extraordinary contribution that the medical profession itself acknowledges an individual practitioner has made to the practice of medicine. This is not an original notion at all. This is what is done in the United Kingdom under the National Health Service.

If the government is serious in the arguments it uses to justify extra billing—and when we come right down to the bottom line, that seems to be the principal argument; practice obviously belies that, but the principal argument, at least in theory, is that doctors must have some way of recognizing in financial terms the contributions of exceptionally talented practitioners. If that argument is being put forward seriously, it seems to me this proposal is one way of addressing that argument and at the same time protecting and preserving the integrity of universal medicare.

At any rate, I put it forward as a modest proposal. We intend to support Bill 92, but I invite the minister, when he makes his reply to those of us who have participated in the debate, to be so kind as to attempt to explain the meaning of subsection 58a(1), which permits the executive committee of the college to impose restrictions on the licence as well as to suspend the licence.

The Deputy Speaker: I thank the member for his remarks. The member for Renfrew North.

Mr. Conway: I will expect you to know my riding next time, Mr. Speaker, without referring to your master list.

Let me start at the end by saying that we Irishmen are always nervous about modest proposals. I must say, though, in this case my illustrious colleague the member for Bellwoods (Mr. McClellan) makes an extremely good point, and I commend him for it. I am not aware of its existence elsewhere, but I think he has recommended to the attention of the acting Minister of Health a very worthwhile consideration, which I have every confidence the acting Minister of Health will digest in a positive sort of way.

I am surprised to learn parenthetically that the member for Bellwoods is no longer the Health critic for the New Democratic Party.

Mr. McClellan: We all move on; even you moved on.

Mr. Conway: I note that with a certain sense of loss, because he was such a—

Mr. McClellan: You are deputy leader now, I believe.

Mr. Conway: Oh, but that is a mere title, I say to my friend; his is a real responsibility.

I want to say that Bill 92 invites us lay members of the Legislature to reflect upon the whole issue of self-governing professions, a matter about which I have been developing some real concern in recent months. It is not so many weeks ago that I happened by the standing committee on procedural affairs to hear a presentation made by the Law Society of Upper Canada, a self-regulating body that looks after its members from Parry Sound through to Brantford.

I am concerned, quite frankly, as are many people in the public, about the way in which the self-governing professions go about protecting the public interest as it relates to their mandate. I recall, for example, that the Law Society of Upper Canada was apparently quite indignant about being summoned before a committee of this Legislature to give an accounting of its performance regarding its mandate.

"What right does the Legislature have," it was reported to have said, with the aid and comfort of the Attorney General (Mr. McMurtry), "to inquire into our administration?" I say the self-governing professions in this province have every right to expect that they can be called on for an accounting of their responsibilities.

9:20 p.m.

When I look at Bill 92, I say to the acting Minister of Health, the most impressive observation that passes through my mind upon reading this act is that the College of Physicians and Surgeons of Ontario has not long had this authority. It is amazing to me. I, like the member for Bellwoods, know of situations where the college has expressed a private concern, if not a public concern. People have been disciplined. Bad actors have been reined in on previous occasions. Their practice is the subject of ongoing review and, of course, they continue to practise with apparent immunity.

I think for a lot of people it is a great surprise to find out that the College of Physicians and Surgeons has not for a long time had the power we are going to give it with Bill 92. I certainly join with the member for Brant-Oxford-Norfolk (Mr. Nixon), the member for Bellwoods and other members in offering my wholehearted

support to the acting Minister of Health for the quick passage of Bill 92.

I say again that if self-governing professions are going to have any credibility in terms of the discharge of their public mandate, they are going to have to be seen to be more vigilant than they have been on previous occasions. I want to be specific here about the College of Physicians and Surgeons. The public literature of this province in recent months is replete—

Interjection.

Mr. Conway: The public literature of this province in recent months, as the member for Hastings-Peterborough (Mr. Pollock) well knows, is replete with example after example of cases where the College of Physicians and Surgeons has not appeared to have been either even-handed or very consistent in the way in which it went about protecting the good people of Madoc, Marmora, Bancroft, Stirling, Roseneath, Port Hope, Cobourg and the people beyond those great communities. I say to the acting Minister of Health, I would hope—

Mr. Pollock: Look after it, Sean.

Interjections.

Mr. Conway: The mineral water at the Royal York must have been very good indeed. I want to say to the acting Minister of Health—

Mr. McClellan: Things are a little soggy on the back benches.

Mr. Conway: The member for Bellwoods reports a soggyiness on the government back benches, and I would not touch that line with a 10-foot bar pole. I want to say to the acting Minister of Health, through you, Mr. Speaker, if I might have your attention—

The Acting Speaker (Mr. Robinson): Change of command.

Mr. Conway: A change of command; I understand a change of command.

I hope the acting Minister of Health, when he goes forward armed with tripartisan support of his Bill 92, will convey to the College of Physicians and Surgeons the sense that many of us have in this Legislature, as have our constituents beyond this place, that the college would do well to be more vigilant in the way in which it goes about protecting the public interest. As I said earlier, there are many of us who are not very pleased that, with recent accounts of incidents under its jurisdiction, it has been doing what the public expects a self-regulating professional body of that kind to be doing.

I do not have my file of these cases because I

did not come prepared to debate Bill 92 tonight, but I have conveyed this concern to my friends in the medical profession. I do not mean to offer this as a broad-brush criticism of the medical profession, because I think by and large as a profession it is composed of well-intentioned professional men and women. But the public expects a high standard of discipline and self-regulation from that self-regulated profession.

I certainly want to encourage the acting Minister of Health to convey the concern I have about its recent performance. We have heard cases of people on the operating table being talked to about their billing, and we have heard a variety of other cases which, unfortunately, I cannot document because my file is not at hand this evening.

I consider it passing strange that this kind of provision has not been long within the purview of the College of Physicians and Surgeons. Therefore, I have no problem at all in supporting its inclusion at this particular point.

The acting minister, as members will recall, was an earlier full Minister of Health way back when Allan Lawrence was almost Premier of Ontario—think what would have happened had the acting minister's man made it to the top in the 1971 leadership race. When the acting minister reflects upon the water that has passed under the bridge of this ministry since he left its helm some 11 years ago, he will want to share with the member for Bellwoods and myself the need to clarify that part of the first section of the bill which talks about the imposition of "such restrictions . . . as the committee designates." I would like to have a better picture of what is intended, as would the member for Bellwoods. What are the possible restrictions in that particular case, short of a full suspension of the licence?

I also want to express a concern about subsection 64a(3) of this bill: "The committee on peer assessment may appoint members of the college or other persons as assessors for the purposes of a peer assessment program." I would like the acting minister to help me understand who might be involved as "other persons." Does that mean people might be involved in a peer assessment who are not members of the College of Physicians and Surgeons? That clarification would be helpful.

In his opening statement the acting Minister of Health took some pains to point out, as does the legislation, that a member has the right not

to have information given by a member in the course of a peer assessment program—

Interjections.

Mr. Conway: The member for Sudbury East (Mr. Martel), whose tender sensibilities forced an earlier vote today, seems to have been restored to his more traditional conviviality. I would only beg his indulgence for a few moments more, by talking briefly to the point of how a member might not have information given in the course of a peer assessment used against the member in any proceeding before the discipline committee, except for knowingly giving false information.

That provision interests me, because I can well imagine that a lot of members of the college are going to feel there is an instrument of intimidation here that will have to be very carefully applied, and I am not so sure that a lot of the good doctors in this province are going to be satisfied that the information so procured in the peer assessment will not be turned against them otherwise or elsewhere.

I note the minister's painstaking efforts to indicate that this will be so, but I must say from my knowledge of many in the medical profession that it is not likely, on the basis of past conversations with me at least, that those people will feel very protected by subsection 64a(6) of this bill.

9:30 p.m.

Again that part of the bill reminds me of what we found in the Morrison special examination about the performance of lawyers in the trust companies affair. We heard from the leadership of that self-governing profession that they were very capable of rooting out the bad actors and disciplining those bad actors within that self-governing profession.

Mr. Speaker, my attention has been drawn to that quizzical look which just crept across your face. I do not have total confidence that the self-governing medical profession will apply itself as vigorously to the—

Interjection.

Mr. Conway: Well, I do not know. I think the member for Sudbury East made a point earlier. It seems to be endlessly distracted tonight.

I support Bill 92. I am surprised it was not included in the act a long time ago. I strongly support the government in closing this particular gap. I strongly encourage the government and the self-governing medical profession to be more vigilant and more vigorous, more even-

handed and more consistent in the application of its self-governance in the public interest than recent incidents would have the general public believe. They ought to know that there are some sceptics, including myself, who feel they have fallen some distance short of their promise in terms of their self-governance.

On that note, I am pleased to resume my seat to await the acting minister's amplification on the points raised by myself and others.

Mr. Cooke: Mr. Speaker, I will be very brief. I start by saying that I agree with whatever the member for Bellwoods said. I was not here to hear him, but I understand he said it on behalf of the party and therefore I agree with whatever he had to say.

We will be supporting this legislation. On the two amendments, I agree with the previous speaker; one must wonder why these kinds of amendments were not brought forward previously.

I would like to compliment the minister for the compendium of information. In my previous portfolios, I have never had legislation explained in black and white and English for those of us who are nonlawyers. It was made very easy to understand and the rationale of the legislation was included. Therefore it was very easy for the government to convince us that in this particular case, this legislation was worth while.

I do have some problems with the system that is currently used in which one first goes through the College of Physicians and Surgeons of Ontario and then to the discipline committee. Eventually, if one is still not satisfied, the complaint can be taken to the Ombudsman in this province. But one has to go through those first two steps before the Ombudsman will accept the complaint.

I just want to illustrate with one case my concern with the process. Numerous cases have come to my office. More often than not, the process is so difficult and usually unsuccessful that most of my constituents who have had complaints about doctors would rather avoid the system than go through the system and try to get things corrected.

One particular case I had demonstrates the problem with the system. This individual in my riding had a three-year-old daughter who had an operation performed. She had actually been born with a physical problem and had to have surgery. Two operations were necessary. This individual went to Dr. Stecko in Windsor, who could perform one of the operations. The other operation was going to have to be performed at

the Hospital for Sick Children in Toronto.

After scheduling the operation, the parents thought about it and said: "This is kind of silly. She has to have two operations, and both of them could be done in Toronto. Let's have them done by the same doctor." They were done in Toronto. The child returned to Windsor and a complication developed.

The family returned to the Children's Rehabilitation Centre in Windsor where Dr. Stecko is the staff physician. I emphasize "staff" because it is a Ministry of Health facility. They made an appointment to deal with the complication. They got to the clinic. They waited for an hour and a half to see Dr. Stecko.

After waiting for an hour and a half, the nurse came out. Dr. Stecko said: "Since I did not perform the surgery I will not even take a look at the complication that has developed. You are going to have to travel 240 miles to Toronto to see if there is a serious problem or not."

The family had to do that. We did take the case to the College of Physicians and Surgeons. The college said, "Strictly speaking, under what is defined as professional misconduct, the doctor did not do anything wrong and, therefore, we cannot reprimand him." We then took it to the health disciplines board. The health disciplines board said exactly the same thing. Now it is before the Ombudsman.

The point is that at both of the hearings that have been held so far, Dr. Stecko was there with his lawyer and my constituent was there with my legislative assistant. The doctors have all the cards on their side and, for something I think is a moral question in this particular case, the college and the health disciplines board followed strictly what in this case was not defined as professional misconduct and, in my view, let the doctor off the hook.

I think the system is such that it does not protect patients adequately. It does not provide for adequate hearings, it is a system controlled by the profession and it pays little attention to the patients and their concerns. It is primarily in place to protect the profession.

I realize the piece of legislation before us does not deal with the global problem. I really think it is something with which the profession must come to grips.

One should consider that this government, when it came to extra billing, at one point had negotiated with the Ontario Medical Association and agreed there would be prior notice for extra billing. But the only way the government

could actually get the profession to implement it—which seems to be a very humane, a very considerate agreement; that if one is going to extra bill patients one has to notify them ahead of time—the only way it could get the profession to accept that was to put it in the provisions or regulations for professional misconduct. That, to me, indicates there is something very seriously wrong with the profession, if this is the only way of dealing with it.

I think it is something the government is going to have to come to grips with and I think it is something the profession is going to have to come to grips with.

I think the makeup of the various bodies is going to have to be more representative of consumers, reflect public concerns and take into consideration the fact that this is not simply a profession, it is not simply a business for individual business people but in fact it is a social service. It is a social service that is, by and large, funded with public funds and therefore should be operating in the public interest and not in the interest of only the profession.

We will be supporting these two amendments. I note one of the amendments on the section deals with the peer assessment program. The only reason the amendment is being brought forward is because a group of doctors is challenging the legality of that process now, which again indicates something with the profession.

I also would like to make one point on confidentiality, which is one of the concerns of this particular group of doctors. If doctors are sworn to confidentiality, as professionals are—and I remember as a former social worker that was one of the things we had to take an oath on when we became social workers with the children's aid society—there are some areas where we simply have to accept that responsibility on the part of the profession.

I know it is one of the concerns of the Health critic of the Liberal Party. I think building in any kind of a process whereby confidentiality is guaranteed by wiping out the names and so forth would be very difficult to implement. The response of the profession in this case is to accept professional responsibility.

I assume that if confidentiality by the people who are part of the peer supervision committee is not respected, there will be remedies open to consumers or patients and I would expect those would be used. If a problem developed, then a further amendment to this legislation would have to be examined. At this point, the amend-

ment before the Legislature this evening is satisfactory to us without any further amendments.

9:40 p.m.

Mr. Roy: Mr. Speaker, I want to make a few brief comments on this amendment to Bill 92. It has been some time since some of us were involved with the original Health Disciplines Act. Some of my colleagues, such as the member for Renfrew North (Mr. Conway) and others, were talking about who was the Health critic when the Health Disciplines Act was passed around 1974.

At that time the Minister of Health was the member for Muskoka (Mr. F. S. Miller) and I was the Health critic. We spent a considerable amount of time reviewing the legislation then and hearing submissions from a variety of health professionals and so on. In reviewing Bill 92, like many of my colleagues who spoke earlier, I was surprised that the existing Health Disciplines Act did not encompass the powers that are given to the committee by the amendments proposed by the acting minister.

As I have heard from other members, I suspect the reason for the legislation is that there is some court challenge to the existing legislation. But in reviewing section 58 of the Health Disciplines Act, I would have thought the section was wide enough to encompass the powers currently given in Bill 92. What the bill proposes is to give power to the executive committee to suspend or impose restrictions on the licence of a member pending the commencement and completion of discipline proceedings. So the power of suspension or the power of imposing restrictions is only given pending the completion of the discipline hearing.

In reviewing clause 58(2)(c), I see there are quite extensive powers given to the committee. It states the committee had power to "take such action as it considers appropriate in the circumstances and that is not inconsistent with this part or the regulations or bylaws."

That is quite wide. Given the wide discretion under that section, I would have thought the powers given under Bill 92 already existed. Apparently the minister does not feel such to be the case. Obviously the legal advisers within the ministry do not take that position. The powers in Bill 92 give the power to restrict or suspend a licence pending the hearing. That is given under very limited and stringent conditions.

I suppose what the acting minister and the ministry have in mind is simply that they want to checkmate any court action which will challenge the powers of the committee now and they

want to spell out clearly in Bill 92 exactly what those powers are.

Sometimes it is a good idea to do that. Some of us are concerned about excessive and superfluous legislation that is not necessary when the powers are already given in a present statute. Here they are spelled out in minute detail in Bill 92.

I see the power given to the committee to suspend and restrict the licence is given under fairly restrictive conditions, and so it should be. With the new Charter of Rights, all legislation must now reflect a sense of natural justice. The acting minister and the ministry obviously have been advised of this.

I see the restrictions put on the power to suspend pending a hearing are restrictive indeed. For instance, it requires a report in writing from the registrar about the conduct and actions of the member. It requires proper notice to be given, etc. I applaud these initiatives. The minister will understand that when such wide powers are given over the livelihood of individuals, one wants to ensure that a system of natural justice is in place.

I am sure the Minister of Consumer and Commercial Relations (Mr. Elgie) will understand when I speak about a system of natural justice. It has not always existed in legislation we see coming before the House. He knows what legislation I refer to. He knows why we oppose that legislation. He knows why the Premier (Mr. Davis) today distorted in some way the reason we oppose the legislation. We opposed it on the basis that there was a lack of natural justice in the process.

Even though we applaud initiatives taken by the ministry and have no sympathy with the individual who might try to take advantage of the process, the system of natural justice must apply to everyone. A system is only good when it has application even in the most offensive situation and sometimes to the most despicable individuals. That is our system of democracy. It must apply equally to all. So I applaud this initiative by the ministry.

Like my colleagues, I have not been overly impressed by the initiatives taken by the health discipline committee against some members in the past. The members for Renfrew North and Bellwoods and others have talked about their concerns in that regard. I think it is important that we who represent the public put it on the record that when self-governing bodies such as these—lawyers, doctors, accountants or others—are given the power to discipline themselves

they must act responsibly and in the public interest.

Like many of my colleagues, I have been amazed by some of the leniency against some of the members shown by the committee on the health disciplines process. The most recent example was the doctor who managed to get a cheque signed while a lady was being wheeled to the operating room and under anaesthetic. As I recall, there was no discipline against that individual.

I recall another situation a few years ago where a doctor was suspended for having sexual relations with a patient, but another doctor who had absconded and defrauded the Ontario health insurance plan of thousands of dollars was given a very light sentence indeed. There was a lack of equity in the two cases. I mentioned those cases because they appeared at the same time. There seemed to be a disproportionate amount of punishment in one case as opposed to the other. I am not suggesting the punishment in the first case was not adequate, but certainly in the second case it was totally inadequate.

9:50 p.m.

I mention this because my colleague from Renfrew North talked about lawyers. Lawyers traditionally deal very harshly with members who are involved in fraud, playing around with their trust funds and so on.

Mr. Speaker, you as a member of the assembly will know that not a week or two go by but one gets a report from the Law Society of Upper Canada with a whole list of lawyers who have been suspended, disciplined or whatever. I say to my colleagues in the medical profession that they may have something to learn.

Mr. Cooke: There are volumes of lawyers.

Mr. Roy: The member is not suggesting there is more reason to do it to the lawyers than the doctors. It is just that the lawyers traditionally have had no compunction about dealing severely with members of their own who are delinquent in a variety of areas. They are not afraid to say so. Every week we publish those who have been reprimanded, disciplined, suspended or whatever.

Interjection.

Mr. Roy: The member is not going to tell me. I say to my colleague the Minister of Consumer and Commercial Relations, who happens to be a member of both professions—some people would say he is incompetent in both but he happens to be a member of both professions—he will understand that his colleagues the doctors have traditionally taken an attitude of self-protection,

while the lawyers on the other hand have been a bit more vicious towards each other. They have been more aggressive and savage towards each other. There has not been that sort of self-protection.

As one member representing the public, I say to the minister that the message must go forth from any of us here that we expect that if powers are given to these discipline committees they are enforced with a measure of natural justice. However, they must be enforced with a measure that inspires public confidence in the process. I am not convinced that has always been the case in the past.

The last thing I want to mention is the section dealing with this question of peer assessment. Perhaps the minister made a statement and I do not know what the purpose of this is. I suspect, if I can speculate, it is not a bad idea to have a process by which the profession reviews from time to time the performance, the work record, etc., of a variety of members because, in a profession as important as that of the doctors, it is important to keep a level of competence. I suspect that is part of the process. If this is what it is, I am surprised that system has not existed in the profession before.

Hon. Mr. Wells: It has.

Mr. Roy: The minister is saying it has, but we are codifying the process here. We are giving it the necessary power. Given that situation—

Interjection.

Mr. Roy: Mr. Speaker, what did the minister say there?

The Acting Speaker: I did not hear what he said. I really do not think it will produce anything if you hear it either.

Hon. Mr. Wells: It is being challenged.

Mr. Roy: It is being challenged.

Of course, the lawyers will do their job. If they see an injustice some place in this province they will come to the rescue and they will challenge it. This is the vocation of the profession. Mr. Speaker, you understand that. The minister has enlightened me. He says—

Mr. Conway: They will bill everybody with equal vigour.

Mr. Roy: That is the other thing. I want to tell the House this. As my colleague gets older, he is trying to give the member for Brant-Oxford-Norfolk competition in being nasty towards my profession. Is it a matter of cynicism towards the profession? Is it a matter of envy? I really do not know. However, I will have to talk to him. I

think that fellow can still recuperate. I have given up on the other one over the past years.

I understand now. The minister said it is being challenged and therefore we have to codify to make sure we know the parameters and the guidelines under which this peer group or this peer assessment will be given the necessary powers. Given that situation, I think it is a good idea. As my colleague said earlier, we certainly are in favour of it.

The last thing I want to say is we wish the Minister of Health well. We would like to see him back. It is not that we do not like the acting minister, but I could see from my question to him today that he has lost his touch in Health. He is not up on the thing. He has too many other priorities.

Mr. Conway: He is running too.

Mr. Roy: No, he would not be running.

The Acting Speaker: Why do we not address our remarks to the bill?

Mr. Roy: We are just having a bit of gossip here. What do you think? Do you think he is going to run?

Mr. Conway: Ask him about that radioactive Scarborough soil.

Interjections.

Mr. Roy: The other thing is he has had distractions recently. I must say that for the record. I saw the minister the other night talking about radioactive soil out there—where is that?

Mr. Conway: Beare Road.

Mr. Roy: He was facing an irate group of taxpayers. We have great respect for the minister. He always has a way of charm and a way of compromising, but somehow that sort of effectiveness was slipping on him with these people in front of the television cameras.

Mr. Conway: They ruffled his silver feathers.

Mr. Roy: Yes. That white mane of his was tingling somewhat.

The Acting Speaker: I caution the member that we are wandering rather far afield from the bill.

Mr. Roy: You are quite right, Mr. Speaker. Maybe I spoke too long and too loudly. I might have distracted the assistant clerk.

Having made these brief comments about Bill 92, I want to say we are fully in support of it. If the intention is to spell it out clearly to frustrate these court actions or these challenges, we are in full support and the minister has our blessing.

Ms. Copps: Mr. Speaker, first, may I apologize and thank my colleague for holding the fort for me. I was out playing hockey with the colleague of the member for Ottawa East, the Attorney General. I found myself in a rather awkward position because I was dropping the puck in a hockey game between McMaster and the Toronto Varsity Blues. The only thing I could wish the Varsity Blues is that the same fate befall them tonight that will befall the Toronto Argonauts on Sunday.

The Acting Speaker: I am not sure what that has to do with Bill 92 either.

Ms. Copps: Nevertheless, Mr. Speaker, I am sure you will accept that apology.

Interjections.

Ms. Copps: Mr. Speaker, as was mentioned by all of my colleagues on this side of the House, we recognize the need for this legislation. I think it behooves all of us to recognize that the vast majority of physicians have co-operated with the informal peer assessment review. The court challenge is being launched by a very small minority who have a number of concerns they wish to address and in that respect have actioned a court challenge.

We believe the statement issued when the acting minister introduced the bill made it quite clear that the peer assessment program has been working effectively within Ontario. As long as there are guidelines developed to ensure that each physician has an adequate and ample recourse in terms of the speedy and due process, then we intend to support the bill.

We will, however, be interested in calling for certain amendments speaking to one of the issues which was addressed by the independent physicians' group that is launching the court challenge, and that is the issue of patient confidentiality.

The Speaker will no doubt remember that when the minister launched Bill 92 in the House, he did so with a compendium of notes which suggested that each physician would have the opportunity, when he or she so chose, to have the records made confidential prior to the peer assessment team's carrying out its responsibility. When I had a chance to see the bill, it was with great interest that I looked for the actual legislation that would guarantee that kind of confidentiality. I found that within the context of the amendments that have been presented the one glaring omission was the issue of patient confidentiality.

I do not speak particularly to the court

challenge that has been launched by the independent physicians' group, where patient confidentiality may have been introduced as an ancillary rather than a central issue to their objections. In a society where information is becoming ever more available from many more numbers of sources, it seems to me that it is incumbent upon us to stress the right of the patient. I speak now not of the right of the physician to have his or her files made confidential, but the right of the patient to be guaranteed confidentiality in the peer review process. In fact, that right was alluded to in the statement made by the minister when he introduced the amendment, but it is glaringly absent from the legislation presented before us.

10 p.m.

Naturally, our party will rise in full support of the bill because it does address the issue of self-regulation of a body that is covered under the Health Disciplines Act. I am only sorry the government has not been in a position to respond as quickly to certain other organizations. I am thinking of the Society of Medical Technologists which was guaranteed more than a decade ago by the then twice-removed Minister of Health inclusion in the Health Disciplines Act. To date we have not seen anything in legislation.

I am happy that when the government discovered the potential for legal difficulty relating to peer assessment review, it acted immediately with this amending legislation. I am sorry, however, that at the same time the government was not prepared to put forth a full package of amendments to the Health Disciplines Act, which would include provisions for self-regulation for many and varied health bodies across this province that now are either voluntarily self-regulating or have virtually no regulation whatsoever.

It would seem that with the kind of input we have had from many medical and health team professionals over the last couple of years, it would have been a real feather in the cap of the new minister if he had brought in a major package of amendments on the Health Disciplines Act, not merely the housekeeping legislation we see before us.

I know the member for Windsor-Riverside expressed some concern about the issue of patient confidentiality, but he added that, as professionals, doctors would be bound among themselves by the oath of confidentiality. I think, however, the minister expressed concern on the part of the ministry in his opening

remarks. He said if a physician so chose, he or she could have patient confidentiality guaranteed in the process.

But not including such an amendment in these housekeeping revisions speaks very clearly to the fact that patients' rights are not given our full attention. They are not allowed the full detailed examination we often accord in this Legislature to the right of physicians and to the right of peer assessment for self-governing purposes.

It seems to me we have waited many years for implementation of recommendations regarding the Kreever commission that have not been forthcoming. If the House would accept a minor housekeeping amendment we will be suggesting with regard to the issue of patient confidentiality, I feel we would be responding to the desire for delivery of a first-quality service that would be subject to a peer review which would be supported by the majority of physicians. I believe a majority of patients across this province support that too. At the same time, we would build the first bridge towards a guarantee of patient confidentiality, which has been given rather short shrift in the past.

I would urge, then, that members not only support the spirit of this legislation, but also that we would all support the inclusion of patient confidentiality. Then all patients across this province can rest assured that when they have a very private medical relationship with their own physician, the physician will not be allowed to make those medical files available to other professionals, quasi-professionals or others involved in the peer assessment review.

I think the process can certainly be carried out. The Minister of Education and Colleges and Universities (Miss Stephenson), an expert on all other matters, will no doubt be aware that it was the Minister of Health who first suggested that physicians should have the possibility of nullifying or deleting the identities of their patients if they so choose. What we are asking for is that this amendment be carried a little bit further and, instead of leaving the responsibility for making that choice with the physician, all patients' rights across this province be protected by incorporating in the legislation a clause which would guarantee patient confidentiality, so that a matter of choice would not simply be left to the whim of each physician.

We believe this is an important and integral component in a package that we hope, with the new health disciplines review, will lead to a more effective protection of patient rights in

this province. We certainly urge the support of all sides of the House not only for the amendment but also for the amendment to the amendment we will be proposing.

Hon. Mr. Wells: Mr. Speaker, I would like to thank all the members for their participation in this debate tonight.

Mr. Conway: Got you through the hiatus.

Hon. Mr. Wells: Actually, we had a number of people ready for budget debate, and here we are just going to finish right on time. I will answer some of the questions that have been raised and comment on them.

The first question that was put was about the meaning of subsection 58a(1) in section 1, "The executive committee, in the circumstances set out in subsection (2), by order may suspend the licence of a member or may impose such restrictions on the licence of a member as the committee designates."

The purpose of that subsection is to allow the discretion with the executive committee either to fully suspend the licence of a doctor to practice in these circumstances or to bring about a partial suspension of some of the privileges of that doctor.

What would be an example of that? In one of the cases given to the members in the compendium, for instance, from October 1980 the college received information that a physician was prescribing narcotics and controlled drugs to addicts and other drug-seeking individuals on demand and in massive amounts. The physician's licence was revoked in June 1982. In the interim, he continued to prescribe narcotics. In that particular case, at the discretion of the committee, they could prevent him from prescribing narcotics or using narcotics, but they could allow him to continue in practice.

Mr. McClellan: Why would they do that?

Hon. Mr. Wells: It gives them the discretion to do that, if they wish. It may be they would find he did not have to be completely cut off from practising. At the present time, not only is he not cut off from practising, but he is not cut off from prescribing narcotics.

Mr. McClellan: Why not just suspend his licence?

Hon. Mr. Wells: My friend says why not just suspend his licence. We are always talking about being as careful as possible not to take rights away that should not be taken away from someone. In this case, in the opinion of the executive committee, it may be that a full suspension is not necessary.

Mr. McClellan: What is an acceptable level of harm or injury?

Hon. Mr. Wells: That is something the committee will have to decide. If the person so affected does not agree with that, there are certain remedies he can take under the legislation. He can go to court and achieve certain ends through those remedies.

Mr. McClellan: It sounds like a loophole.

Hon. Mr. Wells: No, I can assure my friend it is not a loophole. It is merely an avenue to allow a partial suspension of certain duties if that is adequate in the present instance.

10:10 p.m.

Mr. McClellan: He is a drug pusher, so you give him an opportunity to practise.

The Acting Speaker: Order.

Mr. McClellan: We are not allowed to ask questions. I am just trying to help the minister to clarify his thoughts.

Hon. Mr. Wells: I think the member will find it allows a degree of flexibility that this House will be very happy we put in. It may be, for instance, that a person would have his surgical duties suspended. He could still practise medicine as a family physician or in some assisting capacity until the hearing has been held, but he could not practise surgery. That would be another instance of a partial suspension.

Mr. McClellan: That is a better example.

Hon. Mr. Wells: If we thought long enough, we probably could think of other examples. This section is in there to allow both eventualities to be put into effect.

Mr. McClellan: Your drug pusher is a bad example. Your drug salesman is not a great example.

Hon. Mr. Wells: The next section we were talking about was the peer assessment program. I listened to my friend's comments about the use of the peer assessment program to provide some new avenue to approach the idea of extra billing.

Mr. McClellan: To replace extra billing.

Hon. Mr. Wells: Or to replace it. It certainly is an interesting idea.

Mr. McClellan: Eliminate it. Just think about it.

Hon. Mr. Wells: The member has suggested two levels of remuneration under the OHIP fee schedule, a sort of merit pay for doctors, something which has been very difficult to establish in many other professions. We have

tried over the past 20 years to achieve a really good merit pay program in the teaching profession and we have never been able to achieve it. Ultimately, what happens is the higher schedule becomes the schedule most people get. But it is an interesting idea, and I am sure it will be considered along with a number of others over the next little while as we look at ways of improving the system.

Mr. McClellan: Over the next 30 or 40 years.

Hon. Mr. Wells: I think the other question that was raised was about confidentiality. As I emphasized in my opening statement, we must be sure that confidentiality is not breached and that there is no feeling by any patients of doctors who are being assessed that confidentiality is going to be breached.

I would like to say to the member for Hamilton Centre I am not sure her amendment completely does that. I am not sure whether we should not amend section 65. I think we need to do something. In the next little while, in the next few days, I am going to look at the best way to ensure that the confidentiality we all want to be sure is in the bill, the confidentiality that will guarantee to patients that their records are not going to become public and that doctors are going to be protected as they make available their patient records to assessors and so forth, is all taken care of. I am not sure whether that amendment does it, so I will give her my assurance we will look at that. We will send the bill to committee of the whole House today and bring it back in a few days and have some amendment that I hope will remedy that situation.

The Acting Speaker: I draw the minister's attention to the clock.

Hon. Mr. Wells: Let me just quickly conclude, Mr. Speaker. Subsection 64a(3) in section 2, which deals with the peer assessment, may appoint members of the college or other persons. That was meant to mean doctors from other jurisdictions, but I think perhaps it should be clarified to a greater degree. I am going to see if we cannot amend that. I think it is a little open there, and certainly doctors would be concerned that someone might appoint nondoctors to carry out the peer assessment, which would destroy the whole program.

I will bring those amendments back when the bill is in committee of the whole House. I would urge everyone to pass this bill on second reading.

Motion agreed to.

Bill ordered for committee of the whole House.

House in committee of the whole.

REGIONAL AND METROPOLITAN
MUNICIPALITIES AMENDMENT ACT
(concluded)

Resuming consideration of Bill 86, An Act to amend certain Acts respecting Regional and Metropolitan Municipalities.

Mr. Chairman: The members will recall that the committee agreed to stack the three amendments for 10:15 p.m.

10:27 p.m.

The committee divided on Mr. Swart's amend-

ment to section 8 of Bill 86, which was negated on the following vote:

Ayes 30; nays 55.

Section 8 agreed to.

The committee divided on Mr. Swart's amendment to section 9 of Bill 86, which was negated on the same vote.

Section 9 agreed to.

The committee divided on Mr. Renwick's amendment that a new section 10a be inserted in Bill 86, which was negated on the following vote:

Ayes 11; nays 74.

Bill ordered to be reported.

On motion by Hon. Mr. Wells, the committee of the whole House reported one bill without amendment.

The House adjourned at 10:31 p.m.

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SPEAKERS IN THIS ISSUE

- Boudria, D. (Prescott-Russell L)
- Conway, S. G. (Renfrew North L)
- Cooke, D. S. (Windsor-Riverside NDP)
- Copps, S. M. (Hamilton Centre L)
- Elgie, Hon. R. G., Minister of Consumer and Commercial Relations (York East PC)
- Jones, T., Deputy Speaker and Chairman (Mississauga North PC)
- Mancini, R. (Essex South L)
- Martel, E. W. (Sudbury East NDP)
- McClellan, R. A. (Bellwoods NDP)
- McGuigan, J. F. (Kent-Elgin L)
- Nixon, R. F. (Brant-Oxford-Norfolk L)
- Pollock, J. (Hastings-Peterborough PC)
- Robinson, A. M., Acting Speaker (Scarborough-Ellesmere PC)
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- Swart, M. L. (Welland-Thorold NDP)
- Turner, Hon. J. M., Speaker (Peterborough PC)
- Wells, Hon. T. L., Minister of Intergovernmental Affairs (Scarborough North PC)



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Legislative Assembly of Ontario

Third Session, 32nd Parliament
Thursday, November 17, 1983
Afternoon Sitting

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday, November 17, 1983

The House met at 2 p.m.

Prayers.

DEATH OF JOE MORGAN

Mr. Wrye: Mr. Speaker, I rise today to pay tribute to a colleague of mine in my former profession of broadcast journalism, a unique individual whose thoughts and outspoken opinions over the years provided an early-morning stimulus to hundreds of thousands of people in southern Ontario.

Joe Morgan, it is fair to say, became a media celebrity at a time in his life when most of his generation were preparing for their retirement years. Every morning, as we slept comfortably in our beds, a taxi pulled up in front of radio station CKEY at about three o'clock carrying a man with his Globe and Mail, his thermos of coffee and his desire to give people what he called the heart of the news, delivered in a voice and with a style and an enthusiasm that made him one of a kind.

I was privileged to work for and with Joe Morgan for nearly two years at a time when I was fresh from school and filled with the ideals and the obstinacy to realize those ideals which seem to come to all of us in those high-spirited days of our early twenties. From Joe Morgan I learned to blend a sense of humanity with those ideals. The powerful and the powerless all received fair but uncompromising treatment from this very caring individual.

As a professional broadcaster, I also learned the importance of the written word, whether printed in a newspaper, read into a microphone or delivered to a television camera. Joe took my most brilliant prose, tightened it and toughened it; in short, he gave it maximum public impact. Indeed, he probably would have read over this tribute, taken me aside and said, "Wrye, you have forgotten just about everything I taught you when you were at CKEY."

I said earlier that Joe Morgan was strongly opinionated, but he had a wonderful turn of phrase. When I learned of his passing late Tuesday, I had been discussing with a colleague of mine the Prime Minister's current peace initiative and the debate we will be having on the nuclear issue in this chamber in the days to come.

During my days with Joe Morgan, an ugly war was raging in southeast Asia. Every so often, in reminding his listeners of the futility of war, Joe used to make this comment to his audience in his typically outspoken irreverence: "The generals who send young men off to die in battle always die themselves in bed with their boots off." Whether we agree or disagree, that was Joe Morgan.

All of us who knew him will deeply miss the man we affectionately referred to as Papa Joe. On behalf of my colleagues in the Liberal caucus, I want to express our deepest sympathies to his wife Anne and his son Geoffrey.

UNITED WAY

Mr. Speaker: Before proceeding, I would like to announce to all the honourable members that during the recent Legislative Assembly United Way campaign the total amount raised was \$13,900. I think it is interesting to note that this is approximately 23 per cent higher than the amount raised in last year's campaign. I know the members will wish to join me in congratulating all those who worked so very hard on this campaign.

STATEMENTS BY THE MINISTRY

PARIS OPERA HOUSE

Hon. Mr. Wells: Mr. Speaker, I am pleased to inform the House today that—and I know members will be very pleased to hear this—Toronto architect Carlos Ott of Neish Owen Rowland and Roy has been selected by the government of France as the winner of an international competition to design the new Paris Opera House.

Carlos Ott, an internationally known Canadian architect, was selected by French President François Mitterrand from more than 744 world-recognized architects for his "homogeneous and harmonious" design. The selection jury particularly praised the "serenity and appropriateness" of the project and its "clarity, directness and suitability to the neighbourhood."

Mr. Ott was born in Montevideo, Uruguay, and obtained architectural degrees from the University of Uruguay and Washington University School of Architecture. He was a Fulbright

scholar in 1971 and moved to Canada in 1974.

The new Paris Opera House, to be built near the Place de la Bastille, was commissioned to mark the 1989 bicentenary of the French Revolution.

Mr. McClellan: Where is the Ontario opera house?

Mr. R. F. Johnston: We've never had one in this province.

Mr. McClellan: We need a socialist government to get an opera house.

Hon. Mr. Wells: It is coming. We will be having another bicentennial and at that time the opera house will be built.

The new complex in Paris will be worth more than \$300 million and is the largest architectural project to be built in Paris since the construction of the Pompidou Centre in the mid-1970s. Mr. Ott's design includes two amphitheatres, a 3,000-seat opera house, four large staging areas, workshops and public areas.

Last year Ontario had the pleasure of hosting Mr. Christian Dupavillon, technical consultant to the French Ministry of Culture and a member of the selection committee. At that time, this gentleman had an opportunity to see firsthand Mr. Ott's new Royal Ontario Museum expansion project. At a meeting following his tour, he told the Premier (Mr. Davis) how tremendously impressed he was by this latest Toronto landmark.

The announcement by President Mitterrand is front-page news today in all the Paris newspapers. I am, therefore, extremely pleased to share with members of the House the obvious prestige this award will bring to Ontario and to Canada. I am also grateful—and I am sure the House will be grateful—for all the assistance our déléguée générale in Paris, Adrienne Clarkson, was able to offer to Mr. Ott.

ARCHITECTS AND PROFESSIONAL ENGINEERS BILLS

Hon. Mr. McMurtry: Mr. Speaker, later today I will be introducing for first reading the Architects Act, 1983, and the Professional Engineers Act, 1983. This is the first major revision in the legislation governing the practice of architecture since 1935. The Professional Engineers Act was last revised in 1969.

The two bills, which are complementary to one another, are based on the April 1980 report of the Professional Organizations Committee. The committee was composed of J. Alex Corry and J. Stefan Dupré with H. Allan Leal, former Deputy Attorney General, serving as chairman.

One of the most significant accomplishments of the committee was to assist the Ontario Association of Architects and the Association of Professional Engineers of Ontario to come to an agreement on the scope-of-practice issue that had been an area of contention between the professional organizations for a decade. The principle underlying the agreement, "that architects should do architecture and professional engineers should do professional engineering," is simple. Because of the interrelatedness of architectural and professional engineering work with respect to the design of certain buildings, the principle was difficult to develop into a practical set of rules to govern the professions in the building field. That agreement is embodied in these bills.

2:10 p.m.

To prevent a recurrence of jurisdictional disputes, the Professional Organizations Committee recommended, and these bills establish, a Joint Practice Board to be composed of three architects, three professional engineers and a person appointed by the Lieutenant Governor in Council as chairman. Disputes between professionals concerning the appropriate interpretation of the rules of jurisdiction must be brought to the Joint Practice Board before a prosecution is brought under these acts.

Another important function of the Joint Practice Board is in relation to grandfathering. The Joint Practice Board will receive applications from architects who have been practising professional engineering and from professional engineers who have been practising architecture. Where the Joint Practice Board is satisfied it is appropriate to do so, it will recommend to the council of the appropriate association that a licence to practise architecture be granted to a professional engineer or that a licence to practise professional engineering be granted to an architect.

The provisions of the rules governing the work that is properly architecture and the work that is properly professional engineering are of great significance to architects, professional engineers and others involved in the construction industry business. However, there is much in the new bills that will be of significance to the public in general.

It is by now axiomatic that self-governing licensing bodies exist only to serve the public interest. The financial or other interests of their members should not be a concern. The economic benefits that may inure to the possessors of a licence are a possible byproduct of licens-

ing, but they are not a reason for the Legislature to confer the licensing power on a self-governing organization. A licence is an exclusive right to practise an occupation.

As a general principle, every person should be free to utilize his or her abilities, education, training and experience in earning a livelihood. Therefore, it is wrong to create a restriction on this general principle by establishing licences unless this Legislature is satisfied that licensing is necessary to protect the public. The Professional Organizations Committee recommended that no new occupational licensing should be created until a public inquiry establishes the need for restricting access to an occupation to protect the public. In essence, this was the recommendation of the McRuer report as well as that of the Professional Organizations Committee.

The Professional Organizations Committee found that the licensing of architects and professional engineers was necessary in the public interest and should continue. The introduction of the bills today is a statement that the government believes it is necessary in the public interest to license architects and professional engineers. It is also an expression of its belief that the Ontario Association of Architects and the Association of Professional Engineers of Ontario in the past have discharged their statutory duties to serve and protect the public. The government is confident that in future, under these bills, the respective associations will improve the service to and protection of the public.

There are many innovations in the bills. The bills are designed to meet the particular needs of the OAA and the APEO in governing their members and contain new and important mechanisms for demonstrating to the public that the organizations are there for public protection and not for private gain.

The number of lay appointees—that is, persons who are not members of the profession being regulated—to the council of each association is to be increased. The Ontario Association of Architects, which now has no lay appointees, will have between three and five. The Association of Professional Engineers of Ontario, with a larger governing council, will have the number of lay appointees increased from two to between five and seven. Like appointees to the Law Society of Upper Canada and the colleges under the Health Disciplines Act, the expenses of the appointees will be paid from the consolidated revenue fund. This will permit the appointment of persons who otherwise would be financially unable to accept the responsibility.

One of the appointees for each association will be designated the complaints review councillor. He or she will have the function of reviewing the procedures whereby the association deals with complaints from the public against persons allowed to practise. Another function of the complaints review councillor is to provide assurance to the public that complaints are being appropriately dealt with.

Furthermore, a complaints committee is established for each association to consider and investigate complaints against those entitled to practise and, in appropriate cases, to refer matters to the discipline committee for hearing. The discipline committee is given a full range of penalties that may be imposed for incompetence or for misconduct.

Architects and professional engineers offering services to the public would be required to carry professional liability insurance. Until now, only the law society required members in practice to be insured.

While the legal prohibition against conducting the practice of architecture in corporate form is removed, the specific requirements of the legislation will ensure that professional decisions remain in the hands of professionals. Where architecture is practised in corporate form, the corporation must have a majority of its shares beneficially owned by architects or professional engineers, or by a combination of these professionals. A minority of shares may be owned by individuals who are full-time employees of the corporation. These provisions in the Architects Act will permit multidisciplinary, architecture-engineering corporations to practise for the first time in Ontario. Because professional engineering has never been subject to shareholder restrictions, no new restrictions have been imposed.

Furthermore, the provisions of the Charter of Rights and Freedoms with respect to employment mobility rights are incorporated into the statute. Membership in the Ontario Association of Architects and the Association of Professional Engineers of Ontario will be available to every citizen of Canada and every person who has the status of permanent resident of Canada who meets the academic and experience requirements for membership.

There is also a new, narrower definition of the "practice of professional engineering" in the Professional Engineers Act, designed to describe better the acts that persons who are not professional engineers or who are not acting under the supervision of professional engineers are pro-

hibited from undertaking. The new definition should help to relieve the concerns of many in the scientific community by making a clearer dividing line between the work of scientists and that of professional engineers.

The new definition should also relieve the concerns expressed by industrial designers, interior designers and others who commented on the discussion draft of the act. With the narrower definition, the work of many persons that creates no risk to the public will be excluded from the definition. Of course, the new definition does not prevent professional engineers from competing with others in areas that are not exclusively within the practice of professional engineering as defined in the statute.

Provision is contained in the Professional Engineers Act for recognizing the continuum of education, training and experience that are involved in professional engineering. Scientists and engineering technologists in employment situations who become competent at an aspect of professional engineering will be able to apply for a limited licence to practise. So long as the professional engineering done by such persons is within the ambit of the limited licence, the limited licensee will have the right to practise professional engineering.

Mr. Speaker, I believe the two bills to be introduced this afternoon to be a significant improvement over existing legislation. Because of the importance of the legislation, we would like to see the legislation enacted as soon as possible.

Mr. Speaker: I would ask all honourable members to please curtail their private conversations so we may all have the benefit of the statements.

2:20 p.m.

MINIMUM WAGE

Hon. Mr. Ramsay: Mr. Speaker, as I am sure all members are aware, there have been significant increases in wages generally as well as in the cost of living since the level of the general minimum wage was last raised in 1981.

As a result of our review of this issue, I am pleased to announce today that the general minimum wage will be raised from the present level of \$3.50 per hour to \$3.85 per hour on March 1, 1984, and to \$4 per hour on October 1, 1984. This increase, totalling 50 cents per hour, represents an overall increase of 14.3 per cent in the general minimum rate.

The various special minimum wage rates also will be increased consistent with this rise in the

general minimum. There is, however, no change proposed at this time in the harvest workers' minimum wage, pending consultations with the agricultural sector.

These increases will benefit some 200,000 workers in the province who are earning at or close to the minimum wage. It also will be of special benefit to women in the work force, who represent a majority of minimum wage earners.

I feel this increase represents a reasonable balance between the need to assist minimum wage earners in keeping pace with the cost of living and the equally urgent need to maintain employment opportunities by ensuring that increases in the minimum wage do not have a detrimental effect on employment levels.

With respect to domestic workers, I have asked my officials to review the employment standards provisions applicable to them in view of recent representations made to me. This is to ensure fair and reasonable treatment of this group of workers. I hope their report will be available shortly.

ORAL QUESTIONS

HYDRO REACTORS

Mr. Peterson: Mr. Speaker, I have a question for the Minister of Energy regarding press reports today about the new discoveries with respect to Pickering units 1 and 2 and the potential cause of the sag and rupture.

Would the minister be so good as to bring this House up to date on what exactly is happening at Pickering units 1 and 2? How many pressure tubes are being examined? Will there be a full investigation made or just an inspection of selected tubes? Is there equipment available to make those inspections?

Hon. Mr. Andrewes: Mr. Speaker, I would be pleased to update the House. Perhaps I could start by dealing with the last question the Leader of the Opposition posed. There is equipment available to do the examinations, and the examinations currently are being done.

It is likely that a number of tubes in both units 1 and 2 will be examined. The difficulty is that the available equipment is not perfected to the extent that the determinations that are necessary before repairs are completed have to be verified by tube removal. That will take place on a random basis as well.

Mr. Peterson: The minister is now saying, as I understand it, that some eight tubes have been looked at and that some 50 per cent of them show evidence of sagging, which could have

caused the rupture. I understand some 15 tubes have been identified at Pickering unit 1 as having to be scanned, even though Hydro now believes it may have to look at some 50 tubes, not 15. So this problem would seem to be larger than previously contemplated.

The minister is now saying that the scanning equipment, the so-called cigar, is not adequate and therefore a large number of those pressure tubes presumably will have to be removed to verify whether there has been sagging causing the rupturing.

How long will those reactors be out and what will be the cost to the public for replacement fuel for doing the complete examination on those pressure tubes?

Hon. Mr. Andrewes: At this time it is difficult to determine how long the reactors will be out of service. It is still planned to bring unit 1 back into service some four weeks from now. Unit 2 will not be brought back into service until such time as a determination is made as to the necessary repairs. That will be determined when the information is available. All of this information is ongoing; all of it is adding to the evidence and helping Atomic Energy of Canada Ltd., Ontario Hydro and the board to make some determination as to what extent those repairs will be made.

On the question of the replacement cost, I think at this time we want to be careful not to play with arbitrary figures. The Leader of the Opposition is aware that the payback agreement is in place on Pickering units 1 and 2, and this reduces significantly the cost to Ontario electrical consumers.

Mr. Rae: Mr. Speaker, it means the cost is being paid by the Ontario taxpayers.

I would like to ask the minister why, in briefings that were given to me and to our party by Hydro in August and I assume to members of other parties who asked for such briefings, Hydro at that time said it did not intend to carry out the examination on a random basis because it did not think it was necessary.

How can the Minister of Energy preside over the startup of unit 1 if there are still problems with the pressure tubes? How can he possibly argue that unit 1 should be started up again in a month if he does not know what the problems are with the pressure tubes?

Hon. Mr. Andrewes: Mr. Speaker, I am not arguing that unit 1 should be started up at any time if there is some determination by the

agencies responsible that the unit should not be started up.

Mr. Peterson: It is regrettable, but it appears the Globe and Mail and various other reporters, as well as the opposition, know more about what is going on at Ontario Hydro's Pickering units 1 and 2 than does the minister. I want to be fair and allow the minister to bring us up to date today. Clearly, we know more than he does already, but there are still many unanswered questions.

I believe the minister has a responsibility to inform himself of these serious developments that we discussed a month or so ago, which he pooh-poohed at the time and which have now turned out to be very real concerns.

Would he not agree with me that at present Ontario Hydro has only one ultrasound scanner and needs two to get the reactors back on in any reasonable time? Would he not agree with me now that the cost is going to be substantial, at least \$30 million additional than previously contemplated, to check those tubes with the scanners?

If a removal is contemplated, those two reactors could be out of commission for a long time, given the fact that 50 per cent of the tubes examined up to this time have shown evidence of sagging. Hydro is probably going to have to examine at least 50. With the current technology, it can only examine one a day. It is going to be out for many more months before we have any resolution.

Hon. Mr. Andrewes: I am not sure there was a question contained in that supplementary. I am confident the equipment is available, the ultrasound scanner is operating and these random samplings are being made on a daily basis.

The question of costs is not one we can deal with on a hands-on basis. The Leader of the Opposition's estimates, Hydro's estimates or anyone else's estimates, whether they be Mr. Claridge's or not, are purely speculative at this time. We do not know what is necessary in terms of rehabilitating those reactors.

TRUST COMPANIES

Mr. Peterson: Mr. Speaker, I have a question for the Minister of Consumer and Commercial Relations, the minister of trust company regulation in this province. A couple of days ago he tabled three reports in this House. One was the internal review, one was the white paper and the other was a special report released by the registrar on the state of the trust companies. It is that report I want to deal with today.

The minister will be aware that signals were coming from those companies and that, indeed, the registrar was aware as early as 1980 that there were problems emanating from Seaway Trust. He will be aware also that in March 1982, some six or eight months prior to the major problems, there were signals coming from Greymac Trust that there were problems.

The minister extended the licences and that kind of thing. He allowed major increases in capitalization, and he allowed them to carry on business as usual. But now we have definite proof that his ministry, his registrar, was seized of knowledge that there were major problems.

My question to the minister is this: Did he know at that point there were major problems in those trust companies? Why did he not use the powers available to him under the act to act on those trust companies at that time?

2:30 p.m.

Hon. Mr. Elgie: Mr. Speaker, I must go back to the beginning, to the remarks that prefaced the question. Certainly there were signals, which are well documented in the registrar's special report. We have discussed at some length the fact that regulators' activities are constantly dealing with signals and working at trying to correct them. The report the Leader of the Opposition read is a reflection not of inactivity but rather of regulators doing their utmost to deal with problems facing them in the traditional ways. The record shows that very clearly.

The honourable member spoke of Seaway, but what he did not say was that Seaway was put on a quarterly licence in 1981 because of the desire to reinforce the feeling regulators had that there had to be changes made in that company's procedures. He did not go on to mention that Seaway was put on a monthly licence in 1982, again to reinforce the desire of regulators that the company had to change its modus operandi. Neither did he mention that Greymac similarly was put on a monthly licence.

I do not think we are talking about people who were not using traditional methods. Some may say they were not appropriate to the times. They were certainly methods that had been used and that had been examined by a previous royal commission, but they were methods I have said will no longer do in this time. Our legislation last December signalled that change.

The registrar now has tools in his hands to be very strict and to be able to set deadlines and to set terms and conditions, rather than endeavouring to use other means to coerce those into positions that help them recognize the fiduciary

obligations they have as holders of other people's money.

Did I know things were going on? Certainly by the summer of 1982 the registrar and the deputy and I had spoken of his concerns with respect to a number of matters, including the valuations that were being placed on properties. At that point, a determination was made to have discussions with the federal government, the Canada Deposit Insurance Corp. and the superintendent of insurance, as is documented in the report the member has before him, and to combine a team from the federal government and ourselves to explore in depth some of the individual transactions.

That is what we did. Why did we not do something else? The member is asking why did we not take away their licence.

Mr. Bradley: The former minister, the member for London South (Mr. Walker), said—

Hon. Mr. Elgie: He was talking about mortgage brokers and the member knows that.

Interjections.

Mr. Speaker: Order, please. That was an extremely long answer.

Mr. Peterson: It is not easy getting information out of these people, Mr. Speaker. But now we have established that the minister and the registrar did know for some time what was going on. They put the companies on shorter licence periods, even though the minister said he did not have the power to do it on one other occasion in this House. He treated the companies differently, always exercising judgement and discretion but, in hindsight, always turning out to be wrong.

He took in some \$300 million worth of deposits in the six months before those companies were taken over. Under his nose, he allowed depositors—indeed, he was selling those deposit certificates through the Province of Ontario Savings Office. He was selling them, encouraging people to invest all the while he knew something was fishy in those companies.

Mr. Speaker: Question, please.

Mr. Peterson: The minister always tries to pretend he did not have the power, but he had the power under section 158 of the existing Loan and Trust Corporations Act to make very significant moves. I refer him to clause 158(2)(a). The minister had the power to "make the corporation's registry subject to such limitations or conditions as he considers appropriate." Since the minister and his officials knew,

my question is, why did he not move then to prevent this great fiasco from happening?

Hon. Mr. Elgie: First of all, let me again deal with the introductory remarks. I find it difficult when a Leader of the Opposition says it is difficult to get information out of me or this ministry, when he virtually quoted verbatim from the internal review yesterday to make up almost the entirety of his press release. It is lucky that somebody is giving out some information, because he made good use of it for his own purposes while pretending he could not get any information from anybody.

Mr. Nixon: That's a strange criticism.

Mr. Roy: We woke you up last year.

Mr. Speaker: Order.

Hon. Mr. Elgie: Certainly, regulators are always exercising judgement. Does the Leader of the Opposition expect them not to exercise judgement? Even he exercises it, and occasionally he is right. I heard he was once right. What was that time he was correct in his judgement? I cannot recall it.

To suggest this province was actively pursuing the sale of guaranteed investment certificates of Greymac or Seaway is quite interesting. The Leader of the Opposition knows that banks and other institutions, at least institutions such as ours, make access to those GICs available, and to say we were singling them out to offer to the public is really inaccurate, and he knows it.

With respect to the powers the registrar ultimately had, he did not have the power to impose orders and conditions, such as he has under the new legislation of December 21. The Leader of the Opposition knows that. Now the registrar has that power, and he is able to deal with problems more effectively.

Mr. Rae: Mr. Speaker, the fact of the matter is that Seaway was placed on a monthly leash in April 1982 and the public was not informed. In July 1982, the ministry came to the conclusion that "the affairs of Seaway Trust were being conducted with the objective of maximizing profits for the owners with little or no regard for the interests of the depositors or their investments which were held in trust." I am quoting from page 5 of the registrar's report, which was released on Tuesday.

The crucial question is, why was the public not informed that the ministry had come to this conclusion, specifically with regard to the motives, intentions and conduct of the directors of Seaway Trust, that they were carrying on "with the objective of maximizing profits for the

owners with little or no regard for the interests of the depositors or their investments which were held in trust"? Why were these depositors and people who had these investments not told that the ministry had reached this very conclusion in the summer of 1982?

Hon. Mr. Elgie: Mr. Speaker, I hate to hark back to statements the honourable member has already made, but he has acknowledged that regulators have a very difficult role and that many of the problems they face may be resolved. If the member is suggesting that every time a regulator encounters a problem with a particular company, he should quickly run out and issue a press release and cause a run, not only on that institution but also on the sector in general, that is a unique proposal, and I do not think it is one the member really means. I understand he has to say some things here, but I do not think it is a suggestion he wants anybody really to act on.

Why was the public not informed? Clearly—

Mr. Rae: On a point of order, Mr. Speaker: I do not mind the minister distorting my remarks, but I do wish he would assume that when members make statements in this House they mean them, and that is what they expect the minister to respond to. I do not appreciate having a motive attributed to me that is simply not there.

Mr. Speaker: Having said that, that is hardly a point of order, as you well know.

Mr. Foulds: It certainly is.

Mr. McClellan: Attributing motives is a point of order.

Mr. Speaker: Order.

Hon. Mr. Elgie: In any event, if any motive was imputed that the member finds offensive, I withdraw it.

To say that this particular statement in the report indicates a final conclusion had been reached along the lines the member had outlined very clearly would be inaccurate. That was the opinion they held at the time, those were the concerns they had, and we needed to gather the evidence to confirm that opinion. That is why discussions were held with the federal government with respect to teams of investigators going into those companies.

Mr. Peterson: The minister has not answered my question, which is an important question, and I want to go back to it, if I may.

We have established that the registrar felt the problems were serious by mid-1982. I refer the

minister to the act and the existing powers he had. The Loan and Trust Corporations Act, section 158, says that "where the registrar is of the opinion that the assets of a provincial corporation are not sufficient to meet its liabilities," he has to report to the minister. That clearly gives him the responsibility to report it to the minister. Obviously he reported it to the minister because he thought it was serious.

Mr. Speaker: Question, please.

2:40 p.m.

Mr. Peterson: I have to remind him of the legislation, Mr. Speaker.

Then, when the minister gives full consideration to the matter, he has options. One of his options is to make the corporations' registry subject to such limitations or conditions as he considers appropriate, including revaluing assets and a whole variety of powers the minister had under the existing legislation to take action. He cannot wriggle out of it by saying he did not have the power, because he did have the power.

Mr. Speaker: Question, please.

Mr. Peterson: The minister knew and he had the power. My question is, why did he not act? He could have saved the taxpayers of this province over \$500 million.

Hon. Mr. Elgie: First of all, to say that \$500 million could have been saved is inaccurate. The Leader of the Opposition knows the statement made by CDIC related to guarantees and some loans that are outstanding. They have no idea how much of a call is going to be in those guarantees and the member has no idea how much would be recovered. So to make those bland statements as if they are authoritative does him no justice and does not do the public any good.

With regard to section 158, what the member has read to me and what I understand it to mean is, where the registrar is of the opinion that the assets of a provincial corporation are not sufficient to meet its liabilities, to make that determination, an in-depth evaluation of the quality of the assets that were there had to be made. That is exactly what was being put in place through discussions with the federal government and CDIC in order to determine whether or not those assets were of such quality that they would fail to meet this test.

ABILITY-TO-PAY LEGISLATION

Mr. Rae: Mr. Speaker, my question is for the Treasurer. Does the Treasurer feel it would be appropriate for the Land Compensation Board,

acting under the terms of the Expropriations Act in assessing the value to be placed on property which it is the intention of a ministry of his government to expropriate, to have to take into account the government's ability to pay in assessing the value of that property?

Hon. Mr. Grossman: Mr. Speaker, the member is obviously asking me that with regard to the restraint program.

What one has to assess in these things is the government's decision to proceed in these areas. When expropriations are undertaken, the government obviously makes certain decisions predicated upon how much it generally intends to pay for a particular piece of property and whether it is worth that particular endeavour. When we are talking about land compensation, obviously the government is prepared to pay somewhere within a general area which it can guess fairly accurately.

If the member wants to put the opposite proposition, that when it comes to public sector compensation, something the government essentially has no option on because it has not only contracted and hired these people but essentially does not or cannot let them go and choose not to proceed with a certain number of employees, then I have to say it is only fair for a person who is asked to arbitrate to consider the ability of the taxpayers to pay for the services it is already committed to purchasing.

It is a rather long leap from suggesting that on land compensation one can draw a clear parallel between the acquisition of land and the hiring and paying of continuing salary increments for civil servants year after year. It is a long leap.

Mr. Rae: The difference is between property rights and the rights of employees. That is the difference. The difference is between human rights and property rights. We have seen where the Tory party stands on that.

Mr. Speaker: Question, please.

Mr. Rae: The minister knows it would fly in the face of everything he thinks is appropriate. I think everybody in the House would feel it was appropriate when it comes to compensating people for land that is being expropriated. What I do not understand is how the government can maintain that arbitrators have to be put in this straitjacket and that putting them in a straitjacket is not going to take away their independence.

I would like to refer the minister to the speech that was made by Mr. Teplitsky last night to the labour law section of the Canadian Bar Associa-

tion. I would also like to refer him to judgements that have been made by Judge Anderson over 25 years ago, as well as by arbitrator Shime, by arbitrator Adams and by Mr. Johnston, who, in carrying out the hospital disputes inquiry in 1974, said it would be entirely inappropriate for arbitrators to be forced to consider ability to pay at the same time as they are being asked to make market comparisons between the public sector and the private sector.

Does the minister not recognize that he is taking away from the credibility of the entire arbitration process and is leaving the government open to a serious legal challenge with respect to this legislation in so far as it has been seen by arbitrator after arbitrator that including the terms "ability to pay" and "the government's overall fiscal policy" means arbitrators are being turned into deputy sheriffs for the government of Ontario? They do not like it and they think it interferes with their independence and the credibility of the whole process.

Hon. Mr. Grossman: Among the differences that exist between the expropriation process and the circumstance with public sector employment is, of course, that in an expropriation the government has decided that, for the benefit of the taxpayers, someone's land is going to be taken from him and somebody's property is going to be taken from him with no choice. I would hardly say that civil servants, who in essence are negotiating the value of the services they have chosen to provide voluntarily to government, should be valued in the same way. That is a rather large extreme.

In land compensation, one is saying to someone: "Your land is going to be taken by the government. You have no option." That is what expropriation is all about. When it comes to someone deciding he is going to work for government and enter into a negotiation culminating in arbitration, the employee can say, "The value that has been placed on my services by the arbitrator is not high enough in my view and therefore I choose to withdraw and I will sell my services somewhere else."

That is a lot different from the circumstance when the government is coming and taking someone's rights and it is a forced sale.

Mr. Foulds: Tell us how.

Hon. Mr. Grossman: Very simply; on land it is a forced sale and on employment of course—

Mr. Mancini: Where do they go?

Mr. Rae: Tell us where a nursing home

worker is supposed to go. "Take it or leave it," that is your approach.

Mr. Renwick: I never heard a distortion of the public service such as that.

Mr. Speaker: Order. The minister has answered the question.

Mr. Peterson: Mr. Speaker, I believe it was Professor Harry Arthurs who was quoted as saying that including the consideration of the ability to pay or capacity to pay really obliges the arbitrator to do nothing new and is a meaningless inclusion in the considerations that an arbitrator has to take into account.

Would the minister agree that the net result of that would be that he has really added nothing new to legislation and that the leader of the New Democratic Party is getting excited about nothing?

Hon. Mr. Grossman: Mr. Speaker, is this a Hobson's choice or whatever it is? How about none of the above? It is multiple choice. The answer is none of the above. Might I say that on the one hand the third party wants to take the position that this is an incredible muzzling and constriction of the arbitrators—

Mr. McClellan: Just send him a valentine and sit down. Blow him a kiss and sit down, Larry.

Mr. Bradley: No. Let's have an answer.

Hon. Mr. Grossman: He is going to get it. On the other hand, the Liberal Party suggested it is nothing. I must say I would hope Professor Arthurs, who taught me labour law at Osgoode Hall Law School lo these many years ago, is closer to the truth because I would have liked to have believed all these years that arbitrators were taking into account ability to pay.

If they have not been, I think it is a signal accomplishment to codify in the legislation, at least for this year while we have an opportunity to assess the arbitration process, the fact that one party to the negotiations, that is the taxpayers, has the right to have its ability to pay for the employment it is purchasing taken into account.

That after all—as I know at least the Leader of the Opposition (Mr. Peterson) understands, if not the third party—is the essence of what labour negotiations are all about, the value of services offered to an employer and the ability of the employer to pay for those services. If arbitrators have not been taking that into account, I think they ought to be and I am not afraid to say that quite clearly.

2:50 p.m.

Mr. Rae: The minister has been joined by the Leader of the Opposition in failing to compre-

hend something which is quite basic and which has been understood by every single arbitrator who has looked at this question in the last 15 years.

Mr. Riddell: You tell us then.

Mr. Rae: It may be unpalatable to those members, too. Why do they not just walk over and join the government members and give them all the support they have been giving them?

Mr. Speaker: Question, please.

Mr. Rae: Go on, cross over. That is the coalition that really works around this place.

How does the Treasurer of this province deal with the fact that the one piece of credibility—and it is a slender piece of credibility—which the arbitration process has as a replacement for the right to strike in the public sector in this province is that arbitrators have been seen by public sector unions to have been independent of the government? Now arbitrators are basically being instructed, "You are there to act as enforcers for the government's fiscal policy."

Does the minister not realize that takes away from the credibility of the independence of the whole process? In fact, it is going to throw the legislation into complete disarray.

Mr. Barlow: Read it again.

Mr. Riddell: Now that was a good question.

Hon. Mr. Grossman: It was a poor speech but a good question.

Mr. Bradley: No, no. You are supposed to say that is an excellent question.

Hon. Mr. Grossman: Yes, that is an excellent question. I am glad the member asked that.

Might I say that I think history will show the arbitrators in this province are not about to become hatchet men or enforcers for the government. I think the member underestimates the arbitrators who have been used if he thinks that is what is going to happen. The member may underestimate them; I do not. I think most arbitrators would find that the responsible thing to do is to take into account the value of the services offered, as interpreted by those offering the services, and the ability of those purchasing those services to pay for those services.

Let me be very clear. If the proposition the third party wishes to put forward is that the taxpayers' ability to pay for the services they are purchasing should not be taken into account by arbitrators or anyone else in the process, then I must say that I, this government and most of the people of this province just dramatically, force-

fully and four-square disagree with that proposition.

Mr. Rae: The chairman of the Ontario Labour Relations Board said in 1982, "To base wages on ability to pay would force employees to subsidize these services to the public and render interest arbitration under the Hospital Labour Disputes Arbitration Act largely irrelevant."

Those are not my words, those are words of the chairman of the Ontario Labour Relations Board.

JOB SECURITY

Mr. Rae: Mr. Speaker, I would like to address a question to the Minister of Labour, dealing with public sector workers and the very real problems they are facing today.

The question deals with a problem that I am sure he is aware of since he met this morning with representatives of the Service Employees International Union. He was asked a question on Tuesday by my colleague the member for Hamilton East (Mr. Mackenzie) with respect to what has happened. The minister will know that in the last two and a half years at least 192 jobs, a figure which we have been able to document in the very brief time available to us, have been lost by contracting out in the nursing home sector.

He will know that Kennedy Lodge Nursing Home is now announcing a layoff of 92 workers. I would simply like to ask the minister what he intends to do about this attack on the integrity of bargaining, on the integrity of bargaining units and on job security in the public sector in this province?

Hon. Mr. Ramsay: Mr. Speaker, it is correct that I met this morning with Mr. Roscoe of the service union. He expressed his deep concerns about the current situation, which I share. He does have two or three options open to him which he intends to exercise. One is that grievances are being prepared. In addition, an application has been made before the Ontario Labour Relations Board and there is also a possibility that court action will be taken.

Mr. Rae: It is not a question of the service employees' options. They are very few. It is a question of what the government intends to do about a practice within the public sector by nursing home operators who are receiving the bulk of their money from the taxpayers of this province.

Mr. Speaker: Question, please.

Mr. Rae: Specifically, I would like to ask the minister what he intends to do about the attack on the integrity of bargaining units, given the position expressed by Bora Laskin 25 years ago when he talked about the contracting-out problem as it affected job security and said that contracting out, in his view at that time, represented an attack on the integrity of the bargaining unit and the integrity of collective bargaining itself and was something which had to be dealt with.

Arbitrators were unable to deal with this 25 years ago in terms of individual contracts. It was then left up to individual units to bargain and try to solve the problem. This has not been able to work in the public sector because public sector workers have not been able to bargain to the extent which they should.

Mr. Speaker: Question, please.

Mr. Rae: What is the minister going to do about it, given the fact that it is the taxpayers of this province who are paying for these kinds of shoddy practices which are taking jobs away from people in the public sector?

Hon. Mr. Ramsay: I made a commitment to Mr. Roscoe this morning at our meeting that my senior officials and I would begin immediately to review the circumstances involved. We intend to do this in a very serious manner.

Mr. T. P. Reid: Mr. Speaker, the minister will know, because I have discussed this with him briefly, that a hospital in my riding is laying off permanent registered nursing assistants and hiring casual RNAs to do the same jobs. We have the same kind of situation going on here, where the unionized employees are losing permanent jobs to casual workers who are doing the same jobs but presumably for less money because the benefits do not have to be paid. What recourse do the people have who are laid off in such a situation?

Hon. Mr. Ramsay: Mr. Speaker, I believe we should give the system an opportunity to work. By "the system," I am referring to the grievance process in the matter which was brought to my attention by the member for Rainy River (Mr. T. P. Reid). This process is ongoing at the present time.

In respect of the circumstances which have been described to me by the leader of the third party, by others, and relative to our meeting this morning, a complaint has been laid before the Ontario Labour Relations Board, not only in the case of the Kennedy Lodge home, but in the

case of the Ballycliffe home, the Willson home and other homes which are similarly affected.

The Ontario Labour Relations Board in this province has an excellent record of resolutions of problems of this nature and I feel we should give it an opportunity to address this one.

Mr. Rae: This is a totally inadequate response and I think the minister knows it. He knows what our critics found in the last 10 years with respect to contracting out and he knows the problems.

Mr. Speaker: Question, please.

Mr. Rae: I would simply like to ask him, with respect to this specific example, is he aware that the owner of the Kennedy Lodge Nursing Home is also the owner of six other homes, controls 685 beds, and that Mr. Earl Daynes is in the process of purchasing the 111 beds at the St. Lawrence Estate outside of Cornwall from the public sector for \$832,000?

Specifically with regard to this proposed purchase, I would like to ask the Minister of Labour if he is prepared to go to the Minister of Health (Mr. Norton) and say, "Hold up the sale of those public sector beds," at least until we have a guarantee from this employer that he is not going to be contracting out jobs outside Cornwall as he has done in Toronto?

Hon. Mr. Ramsay: The acting Minister of Health (Mr. Wells) and I discussed that very matter before question period today.

3 p.m.

Interjections.

Mr. Speaker: Order.

FREEDOM OF INFORMATION

Mr. Breithaupt: Mr. Speaker, I have a question of the Provincial Secretary for Resources Development and minister in charge of freedom of information in this province. On October 25, in response to the latest of my series of questions on freedom of information in Ontario, the minister said, "I hope to have a new proposal in front of the cabinet in relation to that matter in the very near future." Did the minister grant an interview about freedom of information to a reporter from the Globe and Mail and present to her the contents of his fifth draft of a bill? If so, will he make a proper and full statement to the Legislature on the contents and the timing of his expected bill?

Hon. Mr. Sterling: Mr. Speaker, the answer is no.

Mr. Breithaupt: We will see what the supplementary brings. A year ago the minister was asked about the contents of various data banks and further questions were put on the order paper, which brought forth little information. Is it correct that all the data banks in this publication, called the Index of Personal Information Services, are unchanged for the past two years so that very few subjects bring rights of access to ascertain the accuracy of the information on file?

Finally, will the minister rise in his place to correct the last line in the article written by Rosemary Speirs, which says, "But in the meantime he is out selling the cause"? Would he correct that to read, "But in the meantime he is selling out the cause"?

Interjections.

Hon. Mr. Sterling: I do not think the question deserves a response.

FOREST REGENERATION

Mr. Laughren: Mr. Speaker, would the Minister of Natural Resources, who was formerly responsible for freedom of information, tell us what in the world is going on in his ministry with regard to various responses this party is getting in its attempts to learn more about the government's regeneration efforts in our forests?

In August the director of his forest resources branch promised us some very specific information on the regeneration success rate. In October, when questioned by my leader the member for York South (Mr. Rae), the minister promised the information very soon. Four days later we got a letter from the deputy minister refusing to give us the information. Yesterday the minister made a promise in his opening statement to the standing committee on resources development that there was going to be a "new politics" of resource management in Ontario which included much more openness.

Would he tell us what in the world is going on in that ministry? Why does he have such a bunker mentality? Why will he not release information on the public forests on public lands? He does not have a right to refuse us simply because the information is embarrassing to him and his government.

Hon. Mr. Pope: Mr. Speaker, information on forest management agreements and regeneration activity, site preparation activities and tending activities, is provided to this Legislature on a regular basis and was filed with the Clerk of the House this morning.

For the member's information, these take

each forest management agreement with the corporate name, and he can see for himself the regeneration activity and the acceleration in regeneration activity that is going on. We explained to the member that the use he and his party leader were making of the not sufficiently regenerated category or classification on an acreage basis was inaccurate and the statement he was making with respect to that in northern Ontario, that it meant no tree would ever grow on those acres, was grossly inaccurate.

He said it in three different places in northern Ontario in the month of September, and he cannot deny it. He said it was a desert, it was a wasteland, that no trees were growing there. He knows that is nonsense. He deliberately manipulated those statistics to try to prove a point.

Mr. McClellan: On a point of order, Mr. Speaker: The minister accused my colleague of deliberately manipulating statistics. That is clearly out of order.

Mr. Speaker: Order.

Hon. Mr. Pope: Mr. Speaker, I will withdraw that. I will say he did not understand.

Mr. Laughren: I appreciate the response from the minister. Am I correct? Will the minister tell me I am wrong if—

Hon. Mr. Pope: You are wrong.

Mr. Foulds: Wait for it.

Mr. Speaker: Order. I hope that was not your question.

Mr. Laughren: Perhaps I will rephrase the question.

When the minister talks about the information he tabled this morning concerning regeneration, would he by any chance be referring to these one-page statements that talk about the forest management agreement annual reports for each company that signed an FMA? If that is the information the minister is talking about, perhaps, Mr. Speaker, you will allow me to read one or two sentences that appear in every single one of those annual reports.

"The annual report data presented areas harvested, regenerated and tended as a record of activities only and does not provide for any direct measure of the relationship between harvesting growth, including regeneration, on the agreement area."

To be fair, there is one final sentence, which says, "This information will be provided at the end of each five-year term of the agreement."

Does the minister not understand these documents tell us absolutely nothing? If he wants us

to use accurate information, he simply has to provide us with the data. We have never used information other than that obtained from his ministry. There is no other source of province-wide data. Why does the minister not release the information in the format his ministry agreed to release it? Why is he hiding behind figures?

Hon. Mr. Pope: I am not hiding behind anything. These are annual reports issued on a regular basis. They show the number of acres regenerated, the number of acres tended, the number of acres site-prepared. They also show the number of acres harvested.

If the member for Nickel Belt wants to know that information on a company-by-company basis, he can just put it together himself with a list of all the companies. The member went throughout northern Ontario and said the survival rate was 25 to 30 per cent with respect to our reforestation efforts. We gave him in detailed form the survival rates for both bare-root nursery stock and containerized stock, which showed the member was all wet.

Mr. Van Horne: Mr. Speaker, I have not had the opportunity to look at what the minister tabled today, but I would like to ask a further supplementary. In the land use guidelines released in June of this year, the minister stated the situation in wood supplies is "fully manageable through appropriate strategies." Can he tell us whether or not the material he tabled today gives the detail of those strategies?

I raised the Swastika situation with the Minister of Northern Affairs (Mr. Bernier) a few weeks ago. This was a case that saw a project of this minister's cancelled after the regional director called it "a bit of a mistake." Can the minister tell us whether or not part of his strategy was to start and then stop a project?

Hon. Mr. Pope: Our strategy was to accelerate our reforestation efforts. I said we were building, through public and private nurseries, the capacity to produce 132 million seedlings a year for reforestation. That was a significant acceleration, from 80 million to 85 million in a two-year period. To do that, we needed to have private growers in small and large communities throughout northern Ontario involved in this on a contract basis. That allowed us to expand our capacity in one year alone by 35 million trees to meet the demand of the forest management agreement, to meet the accelerating demand for reforestation stock.

That is the strategy. No one has challenged the fact that we are now planting two trees for

one. I straightened out the member for Nickel Belt on the five-year survival rate of the trees so he would know what he was talking about. We will continue to accelerate our reforestation efforts.

LAKE ERIE COMMERCIAL FISHING

Mr. Mancini: Mr. Speaker, I have a question for the Minister of Natural Resources, who used to be the minister responsible for freedom of information. My question to him relates to the Lake Erie commercial fishing industry. I would remind him that over the past 18 months I have arranged for representatives of the Essex and Kent counties fishermen's association and the Essex and Kent counties processors' association to meet with the minister on the very serious matter of long-range planning for Lake Erie's commercial fishing industry.

3:10 p.m.

The minister will recall that during these meetings he assured us that no definitive decisions would be made without first informing me and representatives of the industry, that he would work with us to devise ways to prevent the catching of undersized perch, and that the industry would be properly policed.

In view of this, could the minister explain his comments as reported in the local media in the Windsor area? It was indicated that he stated the imposition of quotas was near and that he would have the modernization process in operation by 1984.

Hon. Mr. Pope: Mr. Speaker, as I indicated in the article in question, I expected progress on three specific issues, which were outlined in a modernization report, by the beginning of 1984. One of those three issues is an enforcement system that could include a self-policing system that is now in effect in the western basin of Lake Erie. It, therefore, would involve on a voluntary basis the processors and all the commercial fishermen.

I expressed reservations about whether or not we could have a voluntary self-policing system if any processor or fisherman could opt out. Therefore, we would have to have a way to make sure that everyone was involved in the self-policing system. I indicated that in the text of the article.

I also said we had to have some consensus on an assessment program for Lake Erie and for all the Great Lakes. There is no assessment program that will count, as Mr. Anderson has asked we do, the number of yearlings in any lake basin.

It is simply impossible to do so. All we can do is expand our efforts and our data base and calculate trends as to whether or not there is an expansion of a certain fish stock or a decrease in the stock.

It is up to the commercial fishermen, and I put this to them, to come up with an assessment system that will involve them, will involve a commitment of their time and money as well as our increased efforts, so that we will have a mutually agreeable assessment system. But when one has the system, one has to abide by the results. If the results show there is a decline in the stock, then everyone has to take measures to restrict the catch.

The third issue was with respect to incidental catch, on which I indicated we had to have some progress by the early part of 1984. I set out a detailed proposal before the commercial fishermen, the Ontario Council of Commercial Fisheries and the Ontario Federation of Anglers and Hunters, on how to deal with incidental catch. They are to get back to me in the near future with a response of yes or no to that system.

I believe that system of dealing with incidental catch will resolve a lot of the conflict between commercial fishermen and sport fishermen.

Mr. Speaker: Thank you. Do you have a supplementary?

Hon. Mr. Pope: I have not finished.

Mr. Mancini: I want to thank the minister for his detailed answer and to assure him that the many fishermen involved in the Lake Erie commercial fishing industry certainly want to co-operate with the minister concerning the incidental catch and, at the present time, are co-operating with the minister on self-policing.

What we have to know today, however, is whether or not the comments he made to the Windsor Star are accurate as they are printed? Is he or is he not imposing a quota on the Lake Erie fishing industry on the amount of perch that can be caught? Will it take place in 1984? If the answer to those questions is yes, then does he not believe that he has in some way lost the goodwill we have tried to build up between him and the commercial fishermen, who have been trying to co-operate with him in every sense possible?

Hon. Mr. Pope: Where was I? In my discussion with Mr. Vasey of the Windsor Star, we were discussing quotas on a species-by-species basis. I indicated we already had individual

quotas in place for smelt and yellow pickerel, that I did not see that changing, that I did not see any demand by the commercial fishermen to change that system, and that with respect to other species from time to time, it might be we would have to have quotas on a specific-species basis listed on the licences.

But I also indicated, as he quotes on the second page of the article, I would not make any decision or take any position on the matter of quotas for the commercial fishermen in Lake Erie or any of the other Great Lakes until we had some resolution of these other three issues. In some instances, based on information I have, it may not be necessary; in other instances, it will be necessary. Those kinds of decisions will have to await progress on the three primary problems we have to face together.

Mr. Wildman: Mr. Speaker, the ministry should also be taking market forces into account in looking at the catch over the last couple of years and determining whether or not quotas should be established in various of the Great Lakes. Are the market forces that determine largely what is caught and what fishermen attempt to catch being taken into account?

Hon. Mr. Pope: Mr. Speaker, the commercial fishermen to whom I have talked over the past four months have indicated market forces do play a determinant role in the level of catch and, therefore, that is one of the issues we have to address, as well as whether we have an acceptable biological base on top of that for imposing any quotas at all.

GRIFFITH ISLAND CLUB

Mr. Mackenzie: Mr. Speaker, I have a question for the Minister of Labour. Has the minister checked into the comments of numerous ex-workers of the Griffith Island Club in Georgian Bay, as reported in the story in the Toronto Star of Saturday, November 12?

Can the minister inform the House if his ministry has had any complaints lodged with regard to this situation? Will he clarify for members of the House the status of the employees and their coverage under employment standards? Can they be employed for 12 to 13 hours a day for weeks at a time at disgraceful wages, whether cleaning, cooking or dressing the tame deer that the clients seem to get their kicks out of shooting?

Hon. Mr. Ramsay: Mr. Speaker, I am not totally aware of the activities that go on at Griffith Island. I have never had the opportu-

nity to be there. In answer to the questions asked by the honourable member, there has been a complaint filed with the employment standards branch. It is being investigated. However, the actual investigation will not begin until Tuesday of next week. At that time, once it has begun, I will be able to provide additional information to him.

Mr. Mackenzie: May I ask the minister that he not only undertake a thorough investigation into the charges and the complaints raised, but assure us he will come back to this House with the information as to whether current legislation does cover these employees and, if not, bring in legislation that will guarantee they are covered under these circumstances?

Hon. Mr. Ramsay: We have already committed ourselves prior to today to doing an investigation, and it will commence, as I have said, on Tuesday. I certainly will make a commitment to bring the information back to this House. Until I see that information, I am not prepared to go any further as to any changes in legislation.

Mr. Speaker: The acting Minister of Health has the answer to a previously asked question.

Hon. Mr. Wells: Mr. Speaker, this is an answer to a question that was raised by the member for—

Mr. Roy: Is it my question yesterday?

Hon. Mr. Wells: No, it was not the member's question yesterday. The member for Hamilton Centre (Ms. Copps) asked it. As she is not in the House, perhaps I could wait until she returns to the House.

EMPLOYMENT

Mr. Bradley: Mr. Speaker, I have a question for the Treasurer. In view of the fact that the St. Catharines-Niagara area, as they refer to it in Statistics Canada, is once again the highest area for unemployment in Ontario, I believe, and has ranked among the highest areas of unemployment in this province for several months now, competing with Sudbury and some other centres, would the minister indicate to the House what action he is prepared to take to assist this specific area of the province to help not only the young people who are unemployed in great numbers in the Niagara Peninsula and who need the Ontario career action program and other kinds of funding for programs but also people who have been dislodged from their jobs because of automation or who have been dislocated for other reasons? Can he address the problem that

confronts the Niagara Peninsula and give specific answers this afternoon in the House?

3:20 p.m.

Hon. Mr. Grossman: Mr. Speaker, we have been discussing the Niagara area as well as several of the other areas the honourable member has mentioned. The Minister of Labour (Mr. Ramsay) has been speaking to me at some length about the particularly difficult problems being faced in Sault Ste. Marie. The member for Sudbury (Mr. Gordon) has been talking to us for some time about Sudbury. Happily, Sudbury's figures are improving fairly dramatically.

Yesterday, at the request of my colleagues the Minister of Energy (Mr. Andrewes) and the Deputy Premier (Mr. Welch), we spent an extensive length of time at the Board of Industrial Leadership and Development committee meeting discussing some alternatives for the Niagara area. Those discussions have not been completed, and we would likely wait upon the meeting with the Minister of Finance on December 8 in Montreal so we can get a sense for how much money, if any, is going to be made available through various of their promised job creation programs, particularly in the youth employment area.

As the member may recall, it was mentioned in the House in the last week or so that I have asked that the question of youth unemployment be added to the agenda items for that December 8 meeting. When we have concluded that meeting, we will have a better sense about where the federal money, if any, is going to be coming from and going to.

I can assure the member, as I have assured the Deputy Premier and the Minister of Energy, the Niagara area remains very high on the list in terms of providing some assistance. The BILD discussions of yesterday, I hope, will culminate in some initiatives in that area in the not too distant future.

PETITIONS

INFLATION RESTRAINT LEGISLATION

Mr. G. I. Miller: Mr. Speaker, I have a petition signed by 40 nurses from the Norfolk General Hospital.

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned nurses, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and

restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith."

I have a similar petition signed by five teachers.

REPORTS

STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Mr. Barlow from the standing committee on resources development reported the following resolution:

That supply in the following amounts and to defray the expenses of the Ministry of Transportation and Communications be granted to Her Majesty for the fiscal year ending March 31, 1984:

Ministry administration program, \$34,423,400; policy planning and research program, \$10,425,400; safety and regulation program, \$71,510,000; provincial highways program, \$531,249,900; provincial transit program, \$98,968,000; provincial transportation program, \$8,019,100; municipal roads program, \$485,319,000; municipal transit program, \$233,352,000, and communications program, \$2,612,700.

That supply in the following supplementary amounts and to defray the expenses of the Ministry of Transportation and Communications be granted to Her Majesty for the fiscal year ending March 31, 1984:

Provincial transit program, \$21,822,000; municipal roads program, \$16,106,000, and municipal transit program, \$17,500,000.

STANDING COMMITTEE ON REGULATIONS AND OTHER STATUTORY INSTRUMENTS

Mr. Kerr from the standing committee on regulations and other statutory instruments presented the following report and moved its adoption:

Your committee begs to report the following bill with certain amendments:

Bill Pr26, An Act respecting the Institute of Management Consultants of Ontario.

Motion agreed to.

INTRODUCTION OF BILLS

TELEPHONE AMENDMENT ACT

Hon. Mr. Snow moved, seconded by Hon. Mr. Wells, first reading of Bill 117, An Act to amend the Telephone Act.

Motion agreed to.

Hon. Mr. Snow: Mr. Speaker, today I have introduced some amendments to the Telephone Act that are necessary to modernize existing legislation while making it more flexible and adaptable to new developments in telecommunications.

While most telephone services in Ontario come under federal jurisdiction, we are still responsible for the very important services provided by 31 independent telephone systems and the Ontario Northland Telecommunications Commission.

To ensure that these telephone systems provide the best possible service to subscribers in the future, we must have regulations flexible enough to distinguish between those services that are a monopoly and those that are competitive. To that end we propose policies and regulations be made by the Lieutenant Governor in Council, while the commission will be responsible for applying these directives in an operational environment.

In addition, four basic changes are proposed: to improve the depreciation procedures so that modernization programs will be easier to plan; to provide better means of ensuring that rates are just and reasonable; to improve administration efficiency and prevent unwarranted discrimination, and to provide the regulator in extraordinary circumstances the discretion to allow subscriber-owned municipal systems to earn sufficient revenue to carry out modernization programs.

We believe these changes will benefit the companies in operating and improving their services and their subscribers in having the best possible service available, something I am sure we all take for granted.

LEGISLATIVE ASSEMBLY RETIREMENT ALLOWANCES AMENDMENT ACT

Hon. Mr. Wells moved, seconded by Hon. Mr. Eaton, first reading of Bill 118, An Act to amend the Legislative Assembly Retirement Allowances Act.

Motion agreed to.

Hon. Mr. Wells: Mr. Speaker, this bill is very much the same as one introduced last year, providing for some minor amendments to the act.

The first amendment is that the section in

part I is re-enacted to provide for benefits similar to those provided by section 19 of part II of the act in so far as survivors are concerned. Provision is also made for an allowance to the child or children of a former member who dies while receiving an allowance if he or she is not survived by a spouse.

The other amendment in here changes the words "three fiscal years" as a basis for calculating the pension to "36 months."

3:30 p.m.

REGIONAL MUNICIPALITIES AMENDMENT ACT

Hon. Mr. Bennett moved, seconded by Hon. Mr. Eaton, first reading of Bill 119, An Act to amend Certain Acts Respecting Regional Municipalities.

Motion agreed to.

MUNICIPAL PRIVATE ACTS REPEAL ACT

Hon. Mr. Bennett moved, seconded by Hon. Mr. Eaton, first reading of Bill 120, An Act to repeal Certain Private Acts Related to Municipalities.

Motion agreed to.

MUNICIPAL AND SCHOOL TAX CREDIT ASSISTANCE LIEN DISCHARGE ACT

Hon. Mr. Bennett moved, seconded by Hon. Mr. Eaton, first reading of Bill 121, An Act to provide for the Discharge of Liens Registered under the Municipal and School Tax Credit Assistance Act.

Motion agreed to.

ARCHITECTS ACT

Hon. Mr. McMurtry moved, seconded by Hon. Mr. Wells, first reading of Bill 122, An Act to revise the Architects Act.

Motion agreed to.

PROFESSIONAL ENGINEERS ACT

Hon. Mr. McMurtry moved, seconded by Hon. Mr. Wells, first reading of Bill 123, An Act to revise the Professional Engineers Act.

Motion agreed to.

NUCLEAR ARMS FREE ZONE

Mr. R. F. Johnston: Mr. Speaker, on a point of order: I wanted to inform the House that I have received 26,000 signatures in support of resolution 1 but, because it is not appropriate for them to be given to the House because of the way they

are made out, I have sent around copies of the petitions to all the individual members so they will know who has signed in their own areas and, if they wish to make contact, they may do so.

ORDERS OF THE DAY

PRIVATE MEMBERS' PUBLIC BUSINESS POWER CORPORATION AMENDMENT ACT

Mr. Conway moved second reading of Bill 105, An Act to amend the Power Corporation Act.

Mr. Speaker: I remind the honourable member that he has up to 20 minutes for his presentation and he may reserve any portion of that time for his windup.

Mr. Conway: Mr. Speaker, as you know, 20 minutes is far more than I need to deliver any speech; so I will restrict myself to the lesser portion of that.

Hon. Miss Stephenson: I will stay.

Mr. Speaker: Order.

Mr. Conway: My redoubtable friend the Minister of Education (Miss Stephenson) has returned from Stormont, Dundas and Glen-
garry adorned in black from head to toe. I wonder whether that is some comment on the by-election prospects of that former Ed Lumley Liberal who is running for the provincial Tories.

Hon. Miss Stephenson: It is to match the by-election prospects for the honourable member's candidate.

Mr. Conway: Bill 105 has a very specific purpose. It would require the approval of this Legislature, after a hearing by one of its committees, for the appointment or the reappointment of the chairman of Ontario Hydro. I know honourable members on all sides of this House will want to share with me the sense of reformist zeal that brings me to this long overdue and very progressive reform. I know it will enjoy the full support of the Progressive Conservative Party, the New Democratic Party and the Liberal Party.

Interjections.

The Deputy Speaker: Perhaps the member could just ignore the interjections and carry on with the debate.

Mr. Conway: If I was able to ignore them this morning on the CBC, I can certainly ignore them here.

Mr. Nixon: That was a ruthless attack from the Deputy Speaker this morning, I thought.

Mr. Conway: I wondered why the Deputy Speaker would be there with such political things to say.

Mr. Nixon: Did he have his frock coat on when he said it?

Mr. Barlow: You are being heckled from your right there.

Mr. Conway: I am indeed.

We in the Liberal Party of Ontario feel the issue of Hydro and its public accountability is a matter of urgent and pressing concern to the 8.8 million Ontarians who see this great public utility embroiled in controversies that strike at the very heart of our economic and political reality. For a long time now, almost since its inception some 70 years ago, Ontario Hydro and often its chairman have enjoyed a very testy relationship with the government of the day, to say nothing of the Legislature.

Hon. Mr. Elgie: Mitch knew how to handle them.

Mr. Conway: My good friend the member for York East (Mr. Elgie) points out quite accurately that in the government that the father of my friend the member for Brant-Oxford-Norfolk (Mr. Nixon) had the pleasure and privilege of serving as Deputy Premier, there was testiness between the government and the hydro commission.

Mr. Nixon: We renounced their contracts.

Mr. Conway: Indeed we did.

Hon. Mr. Elgie: So you could buy them back again.

Mr. Conway: I do not intend to belabour the point, but to prove the point that for the past 70 years there has been difficulty between the principle of parliamentary democracy and the accountability of this public utility, formerly known as the Hydro-Electric Power Commission of Ontario.

I want to refer to a marvellous book by Professor Nelles, which I know my colleagues will have read, called the *Politics of Development: Forests, Mines and Hydro-Electric Power in Ontario, 1849-1941*, in which he sets out in elaborate detail the development of the resource sector in this province and in particular the development of the hydro corporation.

3:40 p.m.

Most of us, even in the hardwood hills of the upper Ottawa Valley, were raised to believe that Hydro was some kind of endlessly positive corporation which never ceased to do good for the people of the province. It is a very main

plank in the mythology of this great province. The member for York East nods his head approvingly.

Professor Nelles points out that it was not always so. More often than not, the relationship between the government, the Premiers of successive governments, Liberal, farmer and Progressive Conservative, and the chairmen of Ontario Hydro was difficult to impossible. I will refer momentarily to one of the most extraordinary exchanges about that particular relationship. However, it is fair to say that in the 75 years since Hydro began in this province it has not been able to enjoy the kind of relationship with parliamentary democracy which many people, I believe on all sides of this House, would like to see for it.

Adam Beck, the father of the hydroelectric power idea in this province—he is certainly a father in terms of the initial structure—was a very creative, forward-looking genius in some respects. However, in others he was an absolute tyrant, as the Conservative Premier of the late First World War years commented in a letter.

At this point, the then Conservative Premier was concerned about the Napoleonic scheme of the Hydro corporation of the day. He was greatly concerned about the radial railway program which Mr. Beck was advancing very vigorously, and the Chippewa-Queenston project, down in the territory so ably represented by my good friend the member for Niagara Falls (Mr. Kerrio).

On the eve of the 1919 provincial election, the chairman of Ontario Hydro said in a letter to the then Premier, "I am going to have to go public, Mr. Premier, about your complete lack of support for this great scheme that has a vital role to play in the future economic development of this great province."

The then Conservative Premier, Sir William Howard Hearst from Sault Ste. Marie, was flabbergasted; he was dumfounded. He went on to say, and I quote from a letter from the then Premier to the then chairman of Ontario Hydro: "I might further add, if further explanation is necessary, that you, Adam Beck, have never taken me into your confidence in connection with this radial railway undertaking"—the *Darlington* of its day. "I know nothing of the facts or arguments in favour of the scheme, except what I have read in the newspaper." My God, Phil Andrewes 60 years ago!

To continue: "I do not even know the names or qualifications of the experts who have reported on the scheme, nor have I been furnished with

the report of these experts as to the cost of the road, the probable earnings of the road and the other data that would be necessary for a Premier or a cabinet minister to have before undertaking to speak on the subject and give advice to ratepayers who are assuming heavy financial obligations in this matter. Surely, Mr. Chairman, you would not expect a member of government to take part in a campaign unasked for by anyone, so to do, and lacking full and complete information relating to the subject."

There is just one Premier after another quoted about the dictatorship of Hydro. My friend the member for York East is quite right that the Liberals under Hepburn had their equal measure of difficulty. The relationship between the Hydro corporation and the responsible ministers and the so-called people's assembly here has almost from the beginning been an extremely difficult one, as Professor Nelles and many others have indicated.

I want to say to the House that in my own case I have enjoyed a very good relationship with the current chairman of Ontario Hydro. I think Mr. Nastich, in his dealings with me, has been very agreeable indeed. I certainly do not approve of some of his publicity activities these days.

I note that in response to a very favourable editorial in Toronto's only national newspaper, with respect to the principle of my Bill 105, Mr. Nastich, in the October 15, 1983, *Globe and Mail*, wrote about the particularly fond memory he has of Mr. Hugh Macaulay, who served for some years as a most recent chairman of Ontario Hydro. Surely the issue is whether this assembly is going to have an understanding about what that corporation is all about, the corporation which is engaging now in much more than just the provision of power at cost.

I was struck in a recent annual report from Ontario Hydro by the response of the then chairman Mr. Hugh Macaulay when he was asked: "Hydro appears to be a major instrument in the government's determination to stimulate the provincial economy. Can you comment on this?" One thinks about that question and how far we have come from the old narrow mandate about just the generation and distribution of electrical power at cost.

As we saw in the 1981 provincial general election, with the Board of Industrial Leadership and Development, this government was taking the Hydro-Electric Power Commission of Ontario and making it a major instrument of its economic policy. The head of that corporation is probably second only to the Premier (Mr.

Davis) himself in terms of importance to the public policy formation of this province, however painful that might be for the upwardly mobile but often troubled Minister of Consumer and Commercial Relations (Mr. Elgie).

In response to the question put in that recent annual report, what did the then chairman Mr. Hugh Macaulay say? He said, "Instead of working merely to meet anticipated demand, we are now looking at a wider role for Ontario Hydro and considering the effects our large construction projects, our exports, our rates and in fact all of our activities can have on the social, environmental and economic life of the province." The then chairman Mr. Hugh Macaulay clearly indicates that Hydro's mandate was ever expanding into all areas of social, economic and environmental import for this great Ontario of ours.

Mr. Speaker, as a successful business luminary from Mississauga you know that this people's corporation this year will have expenditures in the neighbourhood of \$3.4 billion, revenues, we are told, something slightly more than that, in the range of \$3.6 billion to \$3.7 billion, and a consolidated debt now approaching \$18 billion or \$19 billion. These are very big bucks. These are extremely important questions over which the chairman of Ontario Hydro has an extremely important role to play.

Why, one might ask, are we interested in having the Legislature's involvement in the approval? We think that no one of that significance should be allowed that responsibility without giving an accounting of himself or herself to the people's representatives. We do not view this process as anything but the most positive one. If Dr. E. E. Stewart wishes to withdraw from the Pitfieldian confines of his most recent incarnation and enter the full glare of public responsibility as the next chairman of Ontario Hydro, let that most distinguished member of the Premier's political breakfast club come into the legislative committee and give an accounting of his view of this great public corporation and its future.

I saw Julian Porter here earlier today. Maybe the son of the great Dana Porter will be the next nominee. Maybe Mrs. Jean Pigott will be the first woman and maybe it will be the distinguished member for Scarborough East (Mrs. Birch). These are all very interesting and well-known individuals, some with more connections to the Conservative cause than others, but I am sure that no one from Mrs. Birch to Mrs. Pigott to Dr. Stewart to Mr. Porter would be

reluctant to submit themselves and their view of Hydro for the 1980s and beyond to a committee of this people's assembly.

3:50 p.m.

I was struck a few years ago when, before the Porter Royal Commission on Electric Power Planning, the then Deputy Minister of Energy, the notorious Malcolm Rowan, in response to questions raised about the fact the government did not, when it struck the Power Corporation Act in 1974, accept all of the recommendations of Task Force Hydro which grew out of the early 1970s committee on government productivity, rejected the idea that there be some kind of express contractual arrangement between the government and Hydro so that the obligations and mandates of both were clearly spelled out.

In rejecting that before the Porter commission in 1976, Malcolm Rowan said some very interesting things. I will just quote briefly from the transcript of that exchange. He noted they did not accept that recommendation and said, "I think we have come to the realization that the key variable is not the formality of the contract but the personalities and intrapersonal relationships of the individuals who are responsible for making the system work."

So no less a planner, no less a senior bureaucrat than the redoubtable Malcolm Rowan himself said the reason we will set aside the contractual idea is that it does not take into account the key variables, and that is understanding the personalities who make the system work. I accept what Mr. Rowan said then.

Accepting the advice of the then deputy minister and now president of the Ontario Energy Corp., I say with all regard to the partisan concerns of my friends in the Progressive Conservative Party, let us better understand the personalities involved. Let us draw into the public forum the nominee of the government of the day, whether that government be Liberal, Tory or New Democrat. Let this new reform be proceeded with so that the reason so articulated by Mr. Malcolm Rowan can be lived up to.

It is unfortunate that we have seen the demise of the select committee of this Legislature dealing with Hydro affairs. We have now no capacity as elected members to inquire into the operations of this great people's corporation. All members interested in and concerned about what is being done at that multibillion-dollar corporation would like to have a better relationship, would like to have a more positive regular

communication between this assembly and that great people's corporation.

We think one way the public input could be increased, the public awareness of the views of key personalities might be effected, is by allowing the Legislature through one of its committees to entertain the nominee and to offer its endorsement, or if it felt it could not do so, its rejection, and of course we do that in a related way in other areas.

In concluding these few remarks, I am concerned that this Legislature lacks the will to discharge its very important democratic responsibility. We, as the people's representatives from Algoma-Manitoulin, Niagara Falls and Chatham-Kent, have an obligation to our electors to ensure that the public interest is protected in this marvellous public experiment known as Ontario Hydro, about which we all have our feelings, some positive and some negative. This would be one small step, but an important and positive step in the right direction, in helping to improve the relationship between the people's assembly and the people's great power corporation.

With those remarks, I invite my colleagues to comment on this proposal and to join with me in endorsing it. I see I have about one minute left, which I might use to quickly summarize the remarks of others.

Mr. Di Santo: Mr. Speaker, it is my pleasure to join the debate and I would like to comment briefly on the bill introduced by my friend the member for Renfrew North (Mr. Conway).

This bill is a modest attempt in the direction of trying to make accountable a corporation that has been criticized recently and which will be subject to even more criticism in the future, given the sort of operation it is running and the way it is run.

Our concern with Ontario Hydro is that it is the largest corporation in Ontario. Even though it is a public corporation, to date it is unaccountable to the Legislature and is unaccountable to the people of Ontario. Despite all the criticism and debate provoked by the recent accidents at the Pickering and Bruce nuclear reactors, we have seen an attitude by Ontario Hydro that amounts only to an operation of public relations. This leads me to conclude that even though we have a public corporation we are actually faced with a monolithic organization that is impenetrable to the public and even to the Legislature of Ontario.

Ontario Hydro is guaranteed for all its borrowings by the province, which means, in effect,

that all of us collectively should be responsible for the operation of Ontario Hydro. I think this relationship with Ontario Hydro is becoming more and more crucial for the future of this province.

Even though the temporary chairman of the corporation tells us Ontario Hydro has huge assets and therefore we have nothing to worry about in regard to the \$18 billion of debt it has contracted to build its nuclear system, and even more in regard to the \$20 billion more the corporation will borrow in the next year to complete its nuclear programs, we know very well that the funds available to Ontario are limited, as is the case with any other public organization, government or private. Therefore, the more funds committed to Hydro, the less funds available for other projects and for the economic development of this province.

We are faced with this situation and with the impossibility of our questioning, let alone investigating the operations of Hydro. We do not have any mechanism today. The legislators of Ontario can only ask questions of the minister in this House and the minister will tell us most of the time he does not know much or that he is fully informed. We discover the next day he has not been informed of the major reports that are circulating in the Hydro building.

When we discuss the estimates of the Ministry of Energy, the Ontario Hydro officials make a hasty appearance and give us half-truths. In fact, in the *Toronto Star* of November 10, the temporary chairman of Hydro, Mr. Nastich, is quoted in a headline saying, "'We Do Tell Half-Truths,' Hydro Chief Admits." I think the implication is the public is not entitled to know everything about Ontario Hydro because we do not understand what happens in the sanctum sanctorum, and only a few people who are the experts, the elect, the chosen ones, can understand.

This is a corporation that is supported by the consumers of Ontario, which means by all the citizens of Ontario; therefore, it should be responsible to the citizens.

4 p.m.

This bill calls for the appointment of the chairman of Ontario Hydro and for his selection through a process that involves a committee of the Legislature. My friend the member for Renfrew North (Mr. Conway) said that this government, having recovered its majority and the arrogance it had before 1975 and having put minority government into the closet, unfortun-

ately decided we could do without the select committee.

We are faced with a situation where the government itself has lost control of Ontario Hydro. To sum up the situation, let me quote what Barry Solomon says. He says:

"At the time"—1974—"Premier Davis's determination to control the utility led to open criticism from former Hydro chairman George Gathercole, who charged that 'there was seldom government interference until Davis came along. Leslie Frost and John Robarts never interfered, but with Davis, everybody gets in on the act.'"

"This determination continued at least until 1974, when the Premier, in uncharacteristically explicit language, said that despite cabinet's apparent power in appointing Hydro commissioners and in approving certain activities, 'Hydro has none the less acted as any independent agency. Now the circumstances call for a change.'"

The Premier said that in 1974. In 1983 we are in exactly the same situation. Despite the fact that the Premier appointed his friend Hugh Macaulay, the government was unable to control the corporation. When the memorandum of understanding was tabled, quite understandably after the Legislature adjourned in December 1982, we were faced with a memorandum of understanding that was almost a verbatim repetition of the Power Corporation Act of 1974, which left the situation as it was before.

We now have a minister who is responsible for the policy of Ontario Hydro, but who is unable to have any impact at all. In 1979 the former Minister of Energy tabled in the Legislature the policy of the government, called Energy Security in the Eighties. That policy was intended to create a balanced mix of energy sources in Ontario. Ontario Hydro, regardless of the policy, is going the route we all know, with nuclear plants and nuclear expansion. This is not even necessary because Ontario is plagued with an excess capacity of energy it cannot even use.

One of the provisions of the policy was that Ontario Hydro would develop 2,000 megawatts of new hydraulic energy. That project has been shelved. When I asked the chairman of Ontario Hydro in committee during the estimates who made that decision, he said, "We made the decision." We are faced with a situation where the government sets policy for Ontario Hydro and Ontario Hydro totally disregards the policy of the government.

If that was not enough, now we are faced with a situation where the appointment of the chair-

man of Ontario Hydro is becoming a game within the Conservative government of Ontario, as my friend said. We think that is not good enough. Perhaps this bill does not address the total problem, but certainly it is a first step. Unless we make Ontario Hydro accountable, we will be faced with more and more problems. Even though the government does not want to recognize it, we have to come to terms with the problems because they are accumulating.

Mr. Watson: Mr. Speaker, I have listened with interest to the remarks of the member for Renfrew North on his proposed amendments to the Power Corporation Act. However, his arguments, presented in his usual enthusiastic and eloquent manner, have failed to persuade me that the amendments proposed by Bill 105 are necessary.

On behalf of the the members on this side of the Legislature at least, I can say the primary purpose of Ontario Hydro is to provide secure energy to the people of this province at cost. I do not feel that because a chairman is appointed by a legislative committee it will make this individual more responsible in carrying out that mandate.

The triple-A credit rating Ontario Hydro has received in the past and continues to enjoy is ample indication that Hydro is highly thought of by major financial institutions. Exactly what will be accomplished if the chairman of Ontario Hydro is appointed by an all-party committee? Does the bill before us imply that the current chairman of Ontario Hydro, or others before him, has been negligent or irresponsible or has perhaps operated in such a manner as to ignore the energy needs and requirements of this province?

After listening to the opposition members in these past few weeks, one would think Ontario Hydro and its chairman operate in a manner so as to abuse the mandate under the Power Corporation Act, with no accountability to the government, the Legislature or the people of this province. One would think Hydro's performance goes unreviewed and that its programs, financial plans and load forecasts all forge ahead with not so much as one ounce of scrutiny. Ontario Hydro, as a publicly owned corporation, reports to the Legislature through the Minister of Energy. Hydro cannot borrow money, build facilities or buy or sell anything without the approval of the Ontario cabinet. In addition, the accounts are audited annually by auditors appointed by the Lieutenant Governor. Hydro must be reviewed by the Environ-

mental Assessment Board for all its construction plans.

During the Energy estimates last week, Milan Nastich, the chairman of Hydro, stated: "Over the past decade or so, Ontario Hydro has been subject to the scrutiny of several provincial inquiries, including Task Force Hydro, the select committee on Hydro affairs and the Royal Commission on Electric Power Planning, to name a few. That is why I find it difficult to understand the statement that Hydro is not accountable." I, too, find it difficult to understand the opposition's comments that Hydro is not accountable.

In building new transmission lines, Hydro has also shown its willingness to try to resolve the concerns of residents over and above the required public hearings. I quote again from the comments of the chairman, who said: "In southwestern Ontario we have held 67 information centres, had 100 meetings with citizen committees and interested groups and have mailed information about the proposed facilities to the 30,000 households in the affected areas. Virtually the same format is being followed in eastern Ontario."

Ontario Hydro has been criticized for building too many nuclear plants and not diversifying our sources of generating electricity when, in fact, Ontario has the most diversified electric utility system in Canada. About one third of our power is supplied by nuclear means, one third by coal and one third by hydroelectric. Even without the completion of Darlington, Ontario Hydro will still have one of the most diversified electrical systems in Canada.

The allegations continue, as we know. Hydro has been accused of being irresponsible in its long-range forecasts. Although it might come as a surprise to some of the members of the House, I am not aware of any individual or any group or organization that has been able to forecast what the future holds for us. Does the member for Renfrew North think a committee-appointed chairman would be blessed with some special powers to allow him or her to forecast future energy needs with dead-on accuracy, or that perhaps this individual would be gifted with the ability to foresee technical breakdowns in our nuclear plants? I do not think so.

4:10 p.m.

Our private sector, in its efforts to forecast economic trends anywhere from one to five years ahead, has not been able to succeed. If this were possible, I think there would be fewer bankruptcies in this country. We read different

forecasts by different experts and none of them has any guarantees.

Canada, Ontario or any other jurisdiction that is not self-sufficient and therefore affected by outside influences for energy sources is certainly subject to matters way beyond our control. Yet when it comes to Ontario Hydro, which must forecast Ontario's energy needs 12 to 14 years in advance, it is expected to be accurate. One can hardly call that constructive criticism.

There is no magic wand Hydro can wave to build an instant generating station. It takes at least 14 years to design and build a generating station. When economic experts cannot agree on a five-year forecast, I think it is somewhat stretching a point to expect Ontario Hydro to forecast accurately the requirements up to 14 years.

What disturbs me more with regard to the suggestion the chairman of Ontario Hydro be appointed by a legislative committee is to suggest that the government of this province should shrug off its responsibilities and place them with an all-party committee. I would like to remind members across the floor that the Premier of this province has never shied away from his responsibility to make decisions on behalf of the people of Ontario, nor has he failed to take responsibility for those decisions.

Let us say for the moment that the chairman of Ontario Hydro were to be elected by a legislative committee. Where do the members opposite propose to draw the line? What about the other agencies, boards and commissions in this province? Are we to create legislative committees to elect chairmen of various boards?

I would like to see the member for Renfrew North put such a proposal to his federal leader, Pierre Elliott Trudeau. That would be an interesting dialogue. I suggest the Liberals sell tickets for that performance. Frankly, I think the member for Renfrew North has lost his sense of reality when we think of what would happen if that were done on a federal basis.

When the people of this province or country elect a government, they expect that government to carry out its mandate. That is exactly what this government is doing, has been doing and will continue to do under the leadership of the Premier.

In case anyone has any doubts, I would like to make it clear, as a member of this government, I take pride in the accomplishments of Ontario Hydro. Why not? Its rates are among the lowest, not only in Ontario but in the world. It is a

power-generating facility with a record of achievement and financial responsibility that is envied by many power corporations around the world.

What is truly unfortunate here is that the reputation of Ontario Hydro is being tarnished unjustifiably in an effort by the opposition to create an issue where none exists. It is probably the credibility of the opposition which should go under review and not Ontario Hydro's proven record of responsibility and accountability.

I do not believe the system being suggested, which I would suggest is similar to the confirmation proceedings that go on in committees in the country to the south, should be adopted in a British parliamentary system, a system of responsible government at the present time, in the past and in the future. One of the people who would stand up for that system is the member for Renfrew North. Although he is flying a nice flag here, he really would not do this if he were in a position to do so.

Mr. Kerrio: It is a pleasure for me to join this debate on Bill 105. At the outset, I would like to suggest I am going to support the bill because it makes uncommonly good sense.

It does not surprise me that government members will stand up one after the other as apologists not only for Ontario Hydro, but for the position their government takes in choosing someone to head up this corporation. In the days when Sir Adam Beck had the vision he did to provide power for this great province at cost, I am sure he did not envision the current degeneration of Ontario Hydro, which is not by any stretch of the imagination dedicated to that same cause.

Ontario Hydro could be more applicably described as the Ontario Energy Enterprises Corp., probably under a mandate by Empire Builders of America or some such company that would have agreed with the direction Ontario Hydro is going in. When we on this side fulfil our mandate as described by British parliamentary procedure, that is, as Her Majesty's loyal opposition, we certainly are most willing to point out what this government and what some of the commissions and power corporation people do that is really a disservice to the people they are supposed to serve.

In most enterprises there are two distinct ways of having top executives who would have the vision and the tools to make important decisions. One is that they would be educated along specific lines that would set them up as professionals to perform a duty to head up such

an organization as Ontario Hydro. Alternatively, in many large organizations and many large corporations, there are those who work themselves up through the ranks and certainly earn the right to head up a corporation or a company by the very fact that they have learned from the ground up how that corporation should function.

Such is not the case with Ontario Hydro, I am sorry to say, given those people who have gone before in the leadership of Ontario Hydro. That is no discredit to them, but this is strictly a political appointment. It has been proved that Ontario Hydro right now is on automatic pilot and it makes little difference whether the government chooses someone to head that corporation or does not. It has developed into a monolith that is so huge and burdensome that it does not require someone who has any kind of vision or tools to perform the job.

The government has proved that right now. I say with the greatest respect to all those that went before it is certainly a political plum that many people vie for. When the parliamentary assistant to the Minister of Energy gets up and apologizes, we on this side have to point out that there are so many inadequate things Ontario Hydro participates in, it is time someone was chosen who had the kind of tools that would give Ontario Hydro a new vision, a new thrust from the top and a new responsibility to the people who are supposedly the owners of Ontario Hydro.

In fact, that is a contradiction. When many corporations put out a stock issue on the market, if one owns a bit of stock in one of those companies, he is allowed to go to a meeting to make his feelings known. One would think the people of Ontario would have a larger voice in the function of Ontario Hydro. Such is not the case. The Power Corporation Act is very specific. It says the chairman of Ontario Hydro will answer to the board of directors, and that is as far as his responsibility goes.

The fact remains that those people who are supposed to be served are completely left out of any determinations that are made by Ontario Hydro. We on this side happen to think, and we put it to the acting chairman, there are many things that could have been done in Ontario Hydro, had there been a delineation of where it should fit in an energy program that does not exist in Ontario. That is a sad state of affairs. It is one of the reasons Ontario Hydro has been allowed the kind of latitude it is enjoying right now.

What a contradiction in terms that we are going to have someone who has gone full turn from conservation to trying to sell surplus electrical power being put in charge of conservation. There is nowhere in the world we could hope that people would be involved in those two diametrically opposed involvements and do a proper job. The thing that Hydro does to justify its existence is to have nearly as large a staff in public relations as the Minister of Energy has to run his whole ministry.

4:20 p.m.

That is another contradiction, but it just proves that Hydro needs that kind of apologist. As well as the apologists who sit on the government benches, it has hired apologists who will go out, make speeches and become involved in trying to convince the people of Ontario that they are well served by the mandate that was given to the power corporation.

It is about time we took a good hard look at describing more clearly where Ontario Hydro should fit into the scheme of a proper energy policy, describe where we are headed and describe to Hydro the areas where it will be left to its own resources and where there would not be any interference from the Legislature. But it would not be allowed to move in 44 different directions at the same time, one confusing the other, one in complete contradiction to the other.

We who sat on the select committee were privileged to watch while two former Ministers of Energy were told by the then chairman of Ontario Hydro that those Ministers of Energy could not promise that information would be given and that there would be a more open policy at Ontario Hydro. They were told publicly at the select committee. In particular, as I recall, the member for Ottawa West (Mr. Baetz) was told by the then chairman that he could not make specific promises to our committee, that with the Power Corporation Act they could conduct their affairs the way they saw fit and just be governed by the chairman.

With the greatest respect, I say to those people who would apologize for Ontario Hydro, it is time to do something about the Power Corporation Act that would more clearly define Hydro's role in a meaningful energy policy future. We would have executives at the top end of Ontario Hydro who had come up through the ranks and who had some distinct training in the area so they could give Hydro new vision and new direction, which is certainly nonexistent

when there is a political appointee as head of Ontario Hydro.

The members on the other side like to recall those appointees at the federal level. I will not sit back and be embarrassed by that kind of comment. It certainly happens, but I am just as much against it happening there as I am against it happening here. Witness the fact that there were appointees to Air Canada and, when the government changed, it changed the top management. It would mean there was really no necessity in the first place for having a political appointee there except that it was a pretty nice job. He could be changed at will and it did not change the direction of an important crown corporation.

By putting in place such a bill where those people would apply in some fashion rather stringent rules to the kind of person who would head Ontario Hydro, we would not be dealing with a political appointee. We would probably be dealing in the way big corporations or any other efficient group would deal in choosing top management who would have something to offer in an executive way that would send Hydro in a direction that would make it more efficient and make it back off on criticism from this side that in most cases is highly justified.

Ontario Hydro is going about its business in any way it sees fit. It has no accountability, and it is time it did. This would be a very good way to start.

Mr. Charlton: Mr. Speaker, I rise in support of Bill 105. The very fact that this bill is before us this afternoon and that we are having this debate—I think it has been reflected in the debate I have heard so far this afternoon—means there is a much wider concern about the way in which Ontario Hydro operates than just the question of the chairman. However, the question of the chairman becomes a symbol for the lack of accountability which so many of us perceive in terms of the way Ontario Hydro operates.

The question of how the chairman of Ontario Hydro is appointed is an issue we have dealt with and fought over in this House on a number of occasions in relation to other functions of this government. We have had the same concerns raised about how the Ombudsman is appointed. We have had the same concerns raised about how the Speaker's position is filled, I say to you, sir, as you are sitting there at present representing the Speaker appointed by the government.

It seems to us that if the business of the government in this province is going to operate

efficiently and be properly accountable both to this Legislature and ultimately to the people of Ontario, then this Legislature has to be the body that appoints those who will provide the service, no matter what the area of concern happens to be.

In the present system, with the chairman of Ontario Hydro or with any of the other positions I have mentioned, and with hundreds of others we have not even discussed here, what we have is a very serious lack of trust and a very serious lack of credibility in many of those positions because on every occasion when we request consultation and input into the process of selection, that is denied.

The only conclusion left for opposition parties to make is that there has to be a reasons for those exclusions. The reason is, as the member for Niagara Falls suggested in his comments, that the positions are being filled as political appointments in a very political way, in a way that does not relate at all to the jobs to be done in those positions.

In the case of Ontario Hydro, we have a monolith, a giant. Hydro spends billions of dollars every year. It is a public corporation. It is imperative that as a public corporation it has to be accountable, both to this Legislature and to the public whom it is intended to serve, and it is not.

There are a number of reflections of that lack of accountability. For example, if one were to take the Energy Security for the Eighties paper, which was issued by the then Minister of Energy in September 1979, and look through it in terms of a policy direction for energy policy in the 1980s and compare that document with the approach to energy with which Ontario Hydro is now involved, one would find two policies that are totally different, in contradiction to each other and, in many cases, headed in opposite directions and being totally counterproductive to the goals set out in the government's so-called energy policy for the 1980s.

This bill does not deal with a number of concerns which many of us have about Ontario Hydro, but the bill, as I suggested earlier, is a symbolic way to start getting at the process of accountability and responsibility for Ontario Hydro. It is my view that we have to get back into some kind of regular process of review by this Legislature or by a committee of this Legislature of the policy directions Ontario Hydro is making and will continue to make as

long as it is left out there on its own, as it has been.

4:30 p.m.

Policies of Ontario Hydro have to be reviewed from two perspectives. There are probably a thousand perspectives we could talk about, but there are two perspectives in general terms. First, how does the policy direction of Ontario Hydro fit in and mesh with the policies that are being espoused by the government across the way, the government to whom Ontario Hydro is supposed to be responsible? Second, how do the policy directions and the proposed money expenditures by Ontario Hydro fit into the economic structure and direction of this government for the economy of this province?

With the kinds of dollars Ontario Hydro spends, which I have suggested are in the billions every year, Ontario Hydro becomes, whether it likes it or not, a major economic force in this province, a major economic direction-setter in this province. As a result, if Ontario Hydro's policy direction is in contradiction to the directions this government is taking, which in many cases it is, it creates economic problems for this province. The government is now telling us it is beyond its control.

We frequently listen to the Minister of Energy in this House telling us that he has no direct control over, for example, the front-line item from Hydro, which is its rate structure, but he merely refers Hydro applications for rate structures to the Ontario Energy Board. The Ontario Energy Board deals with questions and approvals, and this government has continually refused to get involved in that rate-setting structure.

Let us face it, with the kinds of dollars every family in this province spends on Hydro, that rate structure becomes not only a very important economic determinant but also a very crucial one in the day-to-day lives of the average families in this province. The \$75 or up to a \$100 a month many families are forced to spend on Hydro makes it a major expenditure on the part of the family.

What this government is continually telling us is that the structure is totally out of the control of this government, that Hydro is an independent crown corporation setting its own policy and its own directions. We have to change the way in which that operates. Once policies have been set, Hydro should operate independent of political interference. But this Legislature has to be a clear and major part in determining the policy directions that Ontario Hydro will take.

Because of the economic impact that corpo-

ration can have and because the things it does are so often in contradiction with or counter to the espoused direction of this government—and we have to stop that—I see this bill and the approach to how the chairman of Hydro is appointed as a first step in the direction of regaining control over that massive and powerful corporation which has caused so many of us so many problems over the last number of years.

The Acting Speaker (Mr. Robinson): I want to draw the honourable members' attention to the clock. There are about seven minutes available to the member for Hastings-Peterborough, as the member for Renfrew North reserves some 45 seconds or so.

Mr. Pollock: Mr. Speaker, I am pleased to have this opportunity to say a few words in this debate on the bill introduced by the member for Renfrew North. My colleague the parliamentary assistant to the Minister of Energy (Mr. Watson) in his remarks has expressed a number of concerns that I have about this bill. I will not take up the time of the House by reviewing them now.

The accountability of crown agencies and corporations and their role in the political and economic system are a matter of growing concern to members of all parties at both the provincial and federal levels of government. I believe it was only two weeks ago that this House debated a resolution introduced by the member for Wentworth North (Mr. Cunningham), in which a number of members spoke to the issue of the accountability of crown agencies and crown corporations.

As I understand it, the bill before us proposes a measure which, in the opinion of the members opposite, would increase the accountability of Ontario Hydro and bring it under the control of the Legislature. The mechanism proposed to achieve these ends is review by a committee of this Legislature and approval by this Legislature of the nominee for the position of chairman of Ontario Hydro.

As my colleague has noted, this constitutes something of a departure from parliamentary conventions. The member for Renfrew North advises that we, in this case, adopt a system not unlike the confirmation hearings used in the American Senate for executive appointments and at the state level for gubernatorial appointments.

I note that students of the American political system have identified a number of shortcomings in this type of confirmation hearing process. Some have suggested that this system

distorts the relationship between the legislative and executive branches, reduces administrative control of the executive over its appointees and inflates the power of the committee system.

Of course, the American presidential-congressional system is much different from our own, so direct comparisons are difficult. None the less, I think adoption of the amendment proposed by the honourable member would distort the relationship that has developed between the executive and the Legislatures in our system.

The problem of the accountability of crown corporations is a real one. Governments across this country have devoted considerable effort to finding ways to improve the accountability of crown agencies. Recent events at the federal level have demonstrated all too vividly what can happen if the accountability issue is ignored. The \$1.4-billion loss sustained by Canadair Ltd. was but the latest and most spectacular of a series of disasters.

In Ontario, we have developed one of the best and most comprehensive systems for ensuring the accountability of crown corporations and agencies currently in place in Canada.

Ontario Hydro, its chairman and its board are held accountable for the actions of the corporation to the Legislature, the government and the people of Ontario by the Power Corporation Act and the memorandum of understanding between the corporation and the Ministry of Energy.

The Power Corporation Act, which gives the utility its mandate, clearly establishes limits on the actions the utility can take without the approval of the Lieutenant Governor in Council. Hydro cannot build, borrow or sell without this approval.

The memorandum of understanding identifies and defines Hydro's objectives and priorities and the operating relationship between Hydro and the ministry. The memo stresses that it is Hydro's responsibility to provide the Ministry of Energy, in a timely manner, with information on Hydro matters that are of concern to the public or this Legislature.

4:40 p.m.

Furthermore, Hydro, its structure, organization, program and plans have been subject to close review by the Legislature. From Task Force Hydro to the current inquiries being conducted by the Provincial Auditor on the direction of the standing committee on public accounts of this House, there is probably not one aspect of the corporation which members

of the Legislature have not had an opportunity to review or that Hydro officials have not been called upon to explain. Even beyond that, the activities of the corporation are subject to public review by a number of agencies and boards.

Of course, one might say that all this would count for little unless the chairman of Ontario Hydro and the board were sensitive to the need to keep the government, the Legislature and the public informed on its activities.

I have taken the time to review the statements made by the chairman of Hydro at the estimates of the Ministry of Energy in the past few years. I am sure that any member who would read those statements would admit that the chairman was very conscious of the need for keeping the corporation accountable to the Legislature.

I find it difficult to accept the view that Ontario Hydro is not accountable to the Legislature and this government. As the current chairman of Hydro pointed out in his statement on November 9 during the Energy estimates—

The Acting Speaker: I have to report that the member's time has expired.

Mr. Pollock: —there are no cases in which Hydro's actions have conflicted with the stated policies and desires of the government of Ontario.

Mr. Conway: Mr. Speaker, in summary I want to thank my five colleagues for their comments on this bill of mine. In the closing moments, I want to draw attention to the presence in the lower gallery of that mother-in-law of Ontario Hydro, so to speak, my good friend the former member for York South and former chairman of the select committee on Hydro affairs.

I simply want to indicate once again that from my point of view the issue here is, how can we improve the accountability of this gargantuan public utility which, under the aegis of the Premier, has undertaken responsibilities never dreamed of by previous administrations?

People can read recent reports and recent statements from people like George Gathercole and Hugh Macaulay to see how far afield the mother of all public corporations in this province has gone. I invite public support and public discussion for the principle of my bill, which I believe can bring Hydro forward to a better level of public understanding and, more important, a greater degree of accountability by us, the people's representatives.

The Acting Speaker: The time for debate on Bill 105 has expired.

WOMEN'S ECONOMIC EQUALITY ACT

Mr. Rae moved second reading of Bill 108, An Act to provide for Affirmative Action and Equal Pay for Work of Equal Value.

The Acting Speaker (Mr. Robinson): I would remind the member at this time that he has 20 minutes in which to make his remarks and that he may reserve any portion of that for conclusion and summary at the end.

Mr. Rae: Mr. Speaker, this bill is intended to deal with perhaps the most challenging problem facing our social economy and facing the people of this province. That is, it is intended to get government to face the challenge of systematic inequality which exists between men and women in the work place.

We had an opportunity to discuss this a few weeks ago when we were dealing with the resolution that was put forward in the name of the member for Hamilton Centre (Ms. Copps). The House had an opportunity to deal with this question in 1979 when it considered a private member's bill dealing exclusively with the question of equal pay for work of equal value.

I am very pleased to be able to introduce this bill. It is the first private member's bill I have been able to move since my election to the Legislature a little over a year ago; indeed, a year and two days after my introduction to this place.

I believe it is practical, I believe it is direct and I believe it faces up to the problems and challenges of inequality in the work place that have been amply documented by the government itself, by advisory groups to the government and in the experience of literally millions of working women in Ontario.

I refer my remarks to the systematic inequality and I simply want to put on the record and document for purposes of those members who do not think there is a problem—and I assume there are still some who do not think there is a problem—the results of research conducted by the Ontario Manpower Commission.

Even the name of the commission reflects certain residual sexism in the official appellations of the government of Ontario. Why not call it "the Ontario employment commission" and get rid of these various names that simply reflect an attitude of time past?

Nevertheless, the commission did put forward a document in October 1983 that outlines a situation that can only be described as shocking. It is a situation in which unemployment is unequally distributed between men and women,

in which employment is unequally distributed between men and women, in which wages and income are unequally distributed between men and women, in which poverty is unequally distributed between men and women, in which occupation and occupational opportunity are unequally distributed between men and women, and in which it can be shown that whether it is in the private sector or the public sector, the approaches taken by government thus far have not done a great deal.

Indeed, it can be demonstrated it has scarcely done anything to close the very real gap that has existed in the work place for literally hundreds of years in industrial societies and that exists today in 1983 in Ontario.

If I could just put some facts on the record, because I think it is important for people to know them. In 1981, full-time female workers in Ontario earned an average of 63 per cent as much as male full-time workers. Part-time female workers' earnings were 67.4 per cent of part-time male earnings. Income for female-headed families in Canada is considerably lower than that of male-headed families: \$13,910 as compared to \$25,397 in 1979.

In 1979—this is a shocking statistic—36 per cent of all female-headed families were classified as low-income, compared to 10.4 per cent of all Canadian families; three times the number of female-headed families were living in conditions described by Statistics Canada as "low-income."

It is important to notice that in various occupations the gap is wide and in some instances the gap is growing. It is also important to notice one conclusion from the report of this commission.

There are those who say the answer is time, the answer is education, the answer is—if I may use the words used by the Minister responsible for Women's Issues (Mr. Welch)—a "staged progress." Where I come from and in my background, "staged" has more than one meaning. "Staged" can sometimes have the show business sense of staged. That is the theatrical sense of staged, that is the play-acting sense of staged and that is the sense of staged with which we would interpret the minister's remarks.

There has been staged progress all right, carefully stage-managed by the Tory party of Ontario. But there has not been an effective change in reality with respect to the condition of women in the work place.

The minister knows that if he looks hard at the statistics, and it is time the people of Ontario

recognized that, he would know it is time we moved beyond the phoniness of the, quote, "staged" approach towards the reality of government taking a leadership role and seeing that women do in fact and in reality have an equal place in the work place alongside their male counterparts.

4:50 p.m.

Hon. Mr. Welch: Mr. Speaker, on a point of order: Is not this the member who in question period was concerned about the imputation of motives? Is this the same member who was decrying all that earlier today? I suggest to him that is very unfair. How about some consistency? He knows very well what I mean by staged progress.

The Acting Speaker: That may be a point of interest but it is hardly a point of order.

Mr. Rae: Let us listen to the staged progress. I am quoting from the report of the commission: "Wages and education. It can be demonstrated quantitatively that education does not equalize wages for women, both in the case of women in the labour force and recent graduates beginning their career. Statistics Canada data shows that in 1979 women in the Ontario work force with a university degree earned an average of \$12,983 as compared to men with a degree who earned \$24,143. Women with high school and some post-secondary education earned on average \$7,549 as compared to men with similar education who earned \$14,844."

It is not just a question of unemployment or wages; it is also a question of opportunity. Some time ago a member of my staff wrote to the Ministry of Colleges and Universities and asked for the most recent data with respect to the ability of women to participate in active apprenticeship programs in the province.

I quote from the letter from the director of operations in the Ministry of Colleges and Universities who had this to say in answer to our question. He did attach some data I will be presenting to the House. At the end, he added this gratuitous comment: "I might add that the need for accurate data in this area may not be one that should be considered of great priority. Male/female apprenticeship rates reflect in large part employer selection criteria for hiring purposes and thus are not easily amenable to direct government action or intervention."

That is the editorial comment. It is not important to have the facts because it has nothing to do with the government. It has to do with employers' hiring preferences. After all,

according to the view of this civil servant working under the aegis and direction of the government of Ontario, there is nothing the government can do about those things. So here are the data but they really do not matter.

If we look at the data, we know why he said it. In 1981-82, there was a total of 40,506 active apprentices in Ontario. Fewer than 2,000 of those were women. Women as a percentage of the total: 4.5 per cent.

In 1982-83 we see a decline in the number of active apprentices to 38,117. We see an even greater decline in the number of women who are active apprentices, to 1,761, 4.4 per cent. There is an absolute decline and a relative decline in the number of women apprentices. That is the staged progress the minister spoke about with such pride last month.

What does this bill do? This bill is intended to address a problem. The problem is inequality and lack of opportunity. The problem is inequality in wages and in terms of occupational chance. That is why the party has decided on, and my private member's bill reflects, an approach which is balanced and which deserves the support of the government and all members.

First, it says let us move. Let us fight the staged progress from the resolution with respect to equal pay for work of equal value from the member for Hamilton Centre which passed this House unanimously, the same spirit which pervaded this House when it was passed by the House in 1979 when it was moved by Ted Bounsall, a member of our party. Let us make it part of the law of this province.

The government has an opportunity today to start the process by which equal pay for work of equal value will become the law of this province. It has a chance to stand up today and say whether principle or spirit mean anything, and whether the government is prepared to put that spirit into effect and fact by moving in terms of changing the law on employment standards in this province to deal with the question of equal pay for work of equal value. I challenge the minister to stand in his place today and explain to this Legislature why something which was acceptable to the Tory party in October is not acceptable to the Tory party in November, if that is the case. I challenge the minister to give us a clear answer on that.

The second thing the legislation is intended to do is to deal with the problem of apprenticeship, the problem of discrimination in terms of occupational chance. It is contained in the bill as a specific direction to the government of Ontario

to get a move on in terms of real equality between men and women in all the occupational categories and give women a chance.

I was in Wawa yesterday and I went down the mine at Algoma. I asked the mine manager, "Have you any women working?" He said, "Before the layoffs here we had a number of women working, but now we have only one." Why? Because they were the first to be laid off, given that more than 200 people have had to be laid off in the mine at Wawa.

What happened to women who took that first step in the late 1970s in terms of being able to break through that barrier of occupational discrimination has been wiped out by the recession and the minister knows it. That is why the issue of affirmative action has to be confronted.

The labour movement has expressed a willingness to confront it and deal head on with this issue. It will not be good enough for the Tory party to hide behind the labour movement and say, "No, no, that is not something they are prepared to consider," because the minister knows full well they are prepared to consider it and deal with it. They are prepared to deal with it along the lines I have set out in the private member's bill I am putting forward in terms of affirmative action.

That is what I want to turn to today in closing these initial remarks, the question of affirmative action. It is not enough for the government simply to say, "We can do a little bit with equal pay for work of equal value," because the minister knows that is merely the tip of the iceberg in terms of the number of people who are being affected.

I would like to quote very briefly from the report in terms of wages. The report dealt with wage discrimination in the public sector, saying it is not as great as it is in the private sector of Ontario but it is still too great. What does it say? It says, "Occupational segregation and distribution are the major determinants of the wage gap." Until we deal with that issue with respect to affirmative action in the public sector and in the private sector, we are not going to be able to move.

This bill calls for companies with more than 20 employees to establish committees on a consensual basis within their firms whose objective would be to reach a consensus with respect to affirmative action.

It does not impose an edict from Queen's Park on each and every employer, which I know is the argument that is going to be used by the Tory party and those in other parties who may

wish to object to this legislation. It does not do that.

It says with respect to employers of over a certain size: "Sit down and reason with your employees with respect to affirmative action. Develop those programs." It has a possibility of an affirmative action tribunal within the Ministry of Labour that would have the obligation to go to these employers and say, "Let us see what kind of program you have developed with your employees." Let us put a little teeth into the so-called voluntary program that has been established by the ministry.

There were 296,241 companies in Ontario as of July 1983. Of these, 243,000 have fewer than 20 employees. There are 53,000 companies that would be affected by this legislation. I want the minister to recollect certain other facts. As of November 15, the number of Ontario companies that have developed an affirmative action program, according to the women's bureau in the Ministry of Labour, is 233. I simply want to point out to the minister that this represents fewer than 30 a year.

If we follow the approach that has been prescribed for us by the Tory party of Ontario with respect to doing this only on a voluntary basis and resisting any attempts at mandatory affirmative action, it would take 1,822 years to bring that number of companies into line with the notion of affirmative action and equal opportunity. That is the Tory definition of staged progress, a mere 1,800 years to accomplish equality for women in Ontario.

Mr. McClellan: That is the fullness of time.

5 p.m.

Mr. Rae: That is the definition of the fullness of time we hear from the Premier (Mr. Davis) and from the Deputy Premier (Mr. Welch) from time to time. I want to say to the minister that we on this side of the House are not prepared to wait that long, and I do not think the women of Ontario are prepared to wait that long. I think the women of Ontario want action. They want action today. They do not want action in 1,800 years and they do not want action in five years.

They want it now with respect to a workable, sensible program that is voluntary in the sense it has to be worked out on a plant-by-plant basis by people sitting down and reasoning together, but mandatory in the sense that the government of Ontario is finally going to be prepared to stand behind the idea of affirmative action and give that idea some reality.

I want to point out that in its report to the

government and the public in April 1982 the then Ontario Advisory Council on Equal Opportunity said, "The greatest disappointment of the council has been the absolute lack of response to the repeated recommendation for legislated affirmative action." Absolute lack of response is what we have seen. This government has patted itself on the back for so long it has failed to recognize there is progress out there that is waiting to be made and has to be made.

Mr. Speaker, I see from the time on the wall I have approximately two and one half minutes to respond to the comments that will be made by other members. But I want to say to the minister in all sincerity the women of this province are waiting. They are waiting for action on equality that is long overdue.

It is all very well for this Legislature to pass things in principle and for governments to pat themselves on the back, but if that is not matched by real progress, then the women and, indeed, the men of this province have been cheated of the right to equality, which I believe is fundamental to what it means to be a citizen of this province and a human being living in Ontario today.

We have to move. This bill provides the opportunity for the government to move. I urge the government to support it, get it into committee, hear the presentations from people and take the concrete steps, the real steps to progress I believe are contained in Bill 108.

Mr. Barlow: Mr. Speaker, I would first like to commend the member for York South (Mr. Rae) for his efforts in bringing this bill before the Legislature. While its parentage is not entirely clear, I gather some tribute is due to, and he did recognize the former member from Windsor, Ted Bounsall and his Bill 3 in 1979. Also, some credit is perhaps due to the member for Beaches-Woodbine (Ms. Bryden) for her bill of last year, Bill 210.

While the practical results for women in the work force of the bill before us today are unclear, I must say I share the member's sense of priorities and his commitment to fair treatment and the opportunity for employment and advancement of women in the work place. Indeed, the government has reiterated its commitment in the general area of women's issues by assigning this responsibility to my friend and colleague the Deputy Premier. In creating the Ontario women's directorate, he has increased resources to address the various problems faced by women in employment.

I think it is important to realize these prob-

lems are both dynamic and multi faceted. The extensive study published in 1981 by the United States National Research Council and a study done by Professor Morley Gunderson of the University of Toronto have both concluded that equal value does not provide a single satisfactory answer to the problem of discrepancy in the wages earned by women and by men.

Mr. Wildman: What does?

Ms. Copps: No single satisfactory answer; there are lots of answers.

Mr. Barlow: I think a figure has been brought out that something like about a five per cent change would be the maximum. The problem of providing equality of opportunity to overcome the concentration of women in lower-paid jobs is central to this issue and must be addressed.

Ms. Copps: Oh, come on

Mr. Barlow: The member will get her shot at it in a few minutes.

In recognition of the need, our government has been a pioneer. Ontario was the first jurisdiction in Canada to address these concerns when we enacted the Female Employees Fair Remuneration Act back in 1951. We have been clearly committed to the principle of equal pay for equal work since that time 32 years ago.

Interjection.

Mr. Barlow: I do not know whether the member voted for or against it. He was probably in favour of it at that time and probably still is.

Eleven years later, in 1962, equal pay for equal work was incorporated as part of Ontario's first human rights code. In 1968 it became part of the Employment Standards Act. This permitted the government to perform routine investigation of pay differentials as part of the regular employment standards audits.

That is an important advance which even now we share with only half the provinces in Canada. It permits the investigation of possible equal pay for equal work infringements even when no complaint has been laid. Very important, our system protects the anonymity of a complainant or a claimant. Moreover, the scope of an investigation can easily be widened to include all employees in the work force.

In 1968 the act made it illegal in Ontario to pay a female employee less than a male doing the same work. The concept of "same work" was clarified in the mid-1970s. Section 33 of the Act says: "No employer . . . shall differentiate between his male and female employees by paying a female employee at a rate of pay less than the rate of pay paid to a male employee, or

vice versa, for substantially the same kind of work performed in the same establishment"—although not necessarily in precisely the same location—"the performance of which requires substantially the same skill, effort and responsibility and which is performed under similar working conditions." Exceptions are allowed only for seniority and merit systems and productivity measured quantitatively or qualitatively.

We are actively ensuring compliance with this legislation throughout Ontario. In 1980 the Ministry of Labour added a special investigation unit with new resources to conduct equal pay settlements of more than \$2.2 million for approximately 1,900 women.

I quite agree with the assumption of the member's bill that more must be done. I am mindful, however, from the experience of my own constituents, that prevailing economic realities put a premium on the preservation of opportunities for women.

Interjection.

Mr. Barlow: I have constituents who come into my office, just as the people opposite do.

I have reservations about Bill 108 in this regard. In the coming weeks and months the government intends to bring forward a broad and multi faceted strategy to address the problems of women in the work force. It will be an approach I am positive will address the broad aspect of problems faced by women, including those to whom the present bill is directed. It will do so in a way that is appropriate to the current situation faced by working women.

I would now like to address some specific concerns I have about this bill. There remain a number of practical questions with respect to the implementation of equal value for dissimilar jobs to which I have not heard satisfactory answers. What, for example, would be the effect on the wage and salary structure that is determined to a large extent by the labour and supply demand? Would resulting wage rates have a negative effect on the ability to attract or retain workers in desired occupations? What would be the impact of the skills shortage that Ontario faces and will be facing in the very near future as we come out of our recession?

In addition, in terms of the operation of labour markets, what impact would it have on the existing collective bargaining system? As we return to active collective bargaining in the public sector, it is worth noting that equal value applied across the spectrum of dissimilar jobs might very well lead to a de facto incomes policy—something I am sure my friends oppo-

site would really be attracted to, but something that leaves many unanswered questions.

5:10 p.m.

What would be the impact of equal value for dissimilar jobs on the unemployment situation? Would it lead employers to automate more quickly many jobs currently held by women and thereby decrease the female component of their labour force to avoid higher payroll cost or possible administrative complexity?

Would equal value comparisons between jobs filled by males and females not lead naturally to comparisons, even where sex is not a factor? If so, could this lead to the pressure of universal job evaluation schemes for the entire labour force? Very soon the Minister of Labour (Mr. Ramsay) will be introducing specific amendments to the Employment Standards Act to address the problem of wage discrimination and several other pressing problems faced by women.

In conclusion, while the objectives of this bill are certainly laudable, the specific means chosen to achieve those objectives raise fundamental questions of practicability. We, on this side of the House, are committed to the same goals but have a disposition to workable measures that will bring real benefits, through staged progress towards implementation, to the working women of this province.

Mr. Wrye: Mr. Speaker, I am pleased to join in this debate today on a bill that attempts to come to grips with two of the most important issues that can provide a significant measure of economic improvement and economic justice to the working women of Ontario.

For too long, as legislators in Ontario, we have simply ignored the plight of the women of this province, as if by ignoring them the problem will disappear. However, the stark facts remain for all to see, and I want to repeat a couple of them.

On average women earn 63 per cent of what men earn. More than four of every 10 female-led families today, in 1983, live below the poverty line. It is true there are more women in nontraditional professions today and in the upper levels of traditional professions than ever before. I acknowledge that.

However, this is really only because of the explosion of women entering the work force. Today more than one out of every two women are in the labour force, but most of them are simply doing the same work women have always done. Let me cite just one example. Women

attempting to move into skilled trades where many new jobs are opening up face real barriers. In 1981 there were just 174 women apprentices in nonservice trades. In that same year there were 36,000 men.

What is the solution? The leader of the third party has come to this House today with a piece of legislation to attack this problem on two fronts—with implementation of equal pay for work of equal value and with legislated, mandatory affirmative action for most of the businesses of this province.

Obviously, I have little difficulty with the equal value provision, following as it does in legislative language the excellent and timely resolutions sponsored by my colleague the member for Hamilton Centre and passed in this Legislature unanimously several weeks ago. I want to praise her for her initiative, which has made this issue one of the most important priorities for action today and one the government cannot ignore.

The part of this proposed legislation, Bill 108, which troubles me is obviously the proposal by the leader of the third party for mandatory affirmative action. After careful review of the bill, I have decided to support this legislation because I believe it is now necessary in Ontario to have a mandatory affirmative action program.

I hold no brief for the intrusion of government into every aspect of business life in Ontario, but the simple fact is that the private and public sectors in this province have had long enough to get on with the job. After eight years of the voluntary approach, barely one in four of the largest employers in this province have involved themselves in an affirmative action program. In short, the Legislature has given the private and public sectors nearly a decade to examine their consciences and to come up with a plan to end the systematic discrimination and occupational segregation of one half of our population.

Employers have failed to meet the voluntary challenge, and it is now up to us to redress the inequity through legislation. But I want to make it clear I do not support the specifics of the solution proposed by the leader of the third party in all respects. Indeed, it is such an extreme measure that its impact may be exactly the opposite to what we all desire. Rather than finding a business community ready to accept its medicine, the specifics of the members' affirmative action plan seem almost to throw down the gauntlet.

I will use but one example because my time is limited. This legislation would force every employer with more than 20 employees in Ontario to come up with a program within six months after an affirmative action committee is established. This preposterous idea would force more than 50,000 firms in Ontario, and perhaps more, to come up with a plan for submission to the director of the affirmative action office.

Then that poor individual would have to approve it, modify it, or send it back for reworking. Clearly, this is the New Democratic Party's idea of a novel solution to the job crisis in Ontario—employ everyone in a new bureaucratic army to bring the world of affirmative action to virtually every place of employment of any significant size in Ontario.

The suggestion we should choose the level of 20 shows that the member does not even understand today's definition of a small business, which is 50. Such an idea makes for lovely rhetoric but lousy reality, and I reject it.

In my view, a mandatory affirmative action program should be put in place with three components: all private sector companies with more than 250 workers; all public sector organizations with more than 100 employees; and those companies doing a substantial level of contract work for the government of Ontario. That is where we should start to bring justice to the women of the province—with a relatively small group of employers who employ more than one half the work force in Ontario. Clearly, that is our starting point. We could expand as time went on and reduce the level in the private sector and in the public sector.

Mr. Rae: What are you going to do with your third hand?

Mr. Wrye: I know my friend does not care about small business in Ontario, but I do.

In my remaining time I want to remind the government of its own dismal record in this field because my major quarrel is with the government's abject failure to do anything of a substantive nature to end this crass discrimination against women. I want to say immediately I reject arguments that we cannot afford affirmative action initiatives. Economic rationalizations for perpetuating discriminatory practices are not acceptable. Indeed, affirmative action may be an appropriate response to what has become both a major political demand and a significant economic structural need.

After 10 years of affirmative action within Ontario's own civil service, 58 per cent of the female crown employees still work in the tradi-

tional women's office and clerical categories. Recently, the annual report on the status of women crown employees indicated that the specific goal of 30 per cent representation by women in all modules and categories may not be realistic; it suggests the goal and methodology be re-examined.

I have already reviewed the pathetic response from the private sector—an indictment which instead of bringing corrective action by the government brings another shrug of the shoulder. The typical approach to affirmative action in organizations in this province can be characterized by a lack of management commitment, superficial analysis, no emphasis on results, reluctance to question established policy, reliance on individual complaints, fear of reverse discrimination and a focus on women's problems. In its totality, voluntary affirmative action has gone almost nowhere in equalizing employment opportunities.

It is well and good for the government of this province to put on a charade of sensitivity to the needs of the women of Ontario by naming a specific individual to assume broad responsibility for women's issues. That is a start. But with this government it has also become a conclusion. I do not believe that is good enough.

5:20 p.m.

I admit and acknowledge that we can never hope to improve women's position relative to men without affecting some of the advantages and some of the privileges men now hold. Affirmative action means real change, and such change is long overdue. It has not been forthcoming from either the public or private sector. It is time the situation were corrected. Faced with the failure of the carrot of volunteerism, it is obviously necessary to employ the stick of legislation.

In conclusion, I shall support the principle of this legislative approach but I reiterate my own position that legislation must come forward in a positive sense, not in a way that would pit the business community of this province against the Legislature of this province. To do that would set back the cause of affirmative action to almost the same extent as the current refusal of the government to do anything but place individuals in offices, give them titles, then force them to hope and pray that someone calls and asks for assistance. The phone has been silent long enough. It is time for the Legislature to make a few calls of its own with the mandatory affirmative action program.

Ms. Bryden: Mr. Speaker, I am proud to support the continuing efforts of the New Democratic Party members to bring in equal pay for work of equal value and affirmative action legislation and to bring this government into the 20th century in the field of economic equality for women.

Back in 1979, this House gave second reading to an NDP member's private bill. Ted Bounsall, a former member, brought in such a bill, but government speakers at that time opposed it and the government let it die on the order paper. Last December, I introduced an affirmative action bill calling for mandatory affirmative action, but that too died on the order paper.

I am glad my leader, the member for York South, has combined these two bills and my updated bill for equal pay for work of equal value of last June into the comprehensive private member's bill we are debating today. By making this his first private member's bill in this Legislature, he has indicated the importance he attributes to these issues.

This bill is the moment of truth for all members in the House who on October 20 voted unanimously to endorse the principle of equal pay for work of equal value and ask that it be enshrined in the Employment Standards Act. But there is a big gap between endorsement of the principle and implementation.

If the Conservative members block the vote on this bill today they will show they want to stall on implementation. They will show they are still listening to their friends in the business world who are opposed to ending discrimination because they want a continuation of a supply of cheap female labour.

Even if the members opposite do not agree with every line of this bill, there is still opportunity to amend it in committee, but today we are voting on whether we are ready to move from endorsement to implementation by legislation.

If the members opposite use as an excuse for blocking that we have not yet seen the long-promised amendment which the Minister of Labour (Mr. Ramsay) is going to bring into the Employment Standards Act, I say that no tinkering with the present equal pay section of the Employment Standards Act is going to close the shocking wage gap between women and men and overcome the under-representation of women in many occupational categories.

This bill would repeal the present equal pay section completely and replace it with an equal pay for work of equal value section, and that is the only way the principle that was endorsed by

this House can be enshrined in the Employment Standards Act. So all members who voted for the resolution on October 20 will be showing their sincerity, or lack of it, by the way they vote today.

I would like to remind the members that efforts to obtain equality for women go back a long way in this Legislature. The progress has been at a snail's pace.

Back in 1951, when the predecessor of the New Democratic Party, the Co-operative Commonwealth Federation, was trying to get the words in the proposed fair remuneration act changed from "the same work" to "comparable work," Leslie Frost, who was then Premier, said, according to press reports, since there was no Hansard at that time: "Why should we as legislators substitute a vague phrase like this? What would it mean? What would our wives think?"

Agnes MacPhail, who was a member of the Ontario House at that time, interjected, "I often wonder." In the debate, Agnes MacPhail stated: "I think it is a straight case of justice. I think it is a disgrace to men that they are not willing that women should get the same pay for doing the same work." In the context of the debate she meant comparable work or work of equal value.

She added: "Men are used to women doing a lot of work for nothing so they don't see why, in factories and other places of employment, they should not do the same."

Any member in this House who opposes the principle of this bill today is still back in those days 30 years ago when Leslie Frost said, "What would our wives think?"

Last month, the Ontario Manpower Commission gave us a reading on how the present equal pay legislation and reliance on voluntary affirmative action has been working. Let me quote the final statement in its report on the Employment of Women in Ontario:

"The statistical profile of men and women in the labour force serves to highlight the ways and degree to which women are disadvantaged relative to men in the labour force. Despite improvements in the employment status of women, significant discrepancies continue to exist between men and women in the work force, largely owing to their continuing concentration in different occupations and at different levels within the occupational hierarchy."

That sums up why we need mandatory affirmative action and equal pay for work of equal value.

As my colleagues have pointed out, women

still make only about 64 per cent of what men make. The gap is growing during the present economic recession as catch-up and mobility programs are frozen, and percentage wage restraints mean smaller increases for women in low-paying jobs.

The argument is made, particularly by the Minister of Labour, that we cannot afford equal pay legislation at this time. I say we do not accept the argument that business cannot afford any extra costs in this time of recession.

If the price of oil or hydro goes up, employers have to pay it. Why should they be shielded from the price of fairness between women and men in the labour market? Why should women have to continue suffering discrimination because the government has mismanaged the economy?

Besides, equal pay adjustments to underpaid women would be a shot in the arm to our faltering economy. It would increase purchasing power tremendously. That is what this economy needs at present. It would also, by stimulating the economy, increase the opportunities for employment.

Any people who think equal pay would be bad for the economy, and would be discriminatory against men, are not looking at the overall effects of the stimulation of the economy and the increase in opportunities. They are also not looking at the effects of harnessing the great amount of unused talent in the female labour force because they are kept in occupations where their full talents are not being used.

The stimulating effect of bringing in this kind of legislation would be of great value to our present economic situation, and that is another reason for looking at it. Its time has come. As Agnes MacPhail said, it is a straight case of justice we are debating today and I suggest that anybody who votes against it does not believe in justice for women.

5:30 p.m.

Mr. Rotenberg: Mr. Speaker, I am pleased this afternoon to have the opportunity to express my views on this most important subject. My colleague the member for Cambridge (Mr. Barlow) has discussed the issue of equal pay. My remarks will be directed more to affirmative action. Really they are both parts of a larger issue; that is, achieving economic equality for all citizens of Ontario and closing the wage gap between men and women.

Let me state most emphatically at the outset that I and my colleagues on this side of the House are totally supportive of affirmative action and totally supportive of equal opportu-

nity in employment. The only difference I have with the members opposite and with this bill is the method of implementation.

Before getting into the details of the bill, I think it would be useful to describe in some detail what affirmative action means and, because the term is so often misunderstood, to specify what affirmative action does not mean.

An affirmative action program is a series of positive activities implemented by an employer to identify and correct systemic discrimination; that is, policies and practices that have a negative effect on certain groups such as women and tend to assign them to limited roles in the work place.

Let me give members an example, Mr. Speaker. Discrimination can be built into a hiring policy when height and weight requirements are maintained. Standards such as these, when based on male norm rather than actual job-related criteria, can prevent many women from entering jobs for which they are capable. The Ontario Human Rights Commission quite properly considers requirements such as height and weight to be discriminatory.

It is still widely believed, however, that affirmative action means one or all of the following: arbitrary quotas, the promotion of unqualified women and reverse discrimination. In Ontario, none of these descriptions applies to affirmative action as it is promoted or as it is implemented.

For example, employers are encouraged to establish flexible goals and timetables as they would for any co-operative initiative. Unlike fixed quotas, these goals reflect an employer's capacity to hire and train and to take into account the numbers of qualified women who are available. I stress the word "qualified," because the purpose of affirmative action is to ensure that qualified women are given equal consideration and that qualified women receive equal opportunities in the hiring and training process.

Finally, the affirmative action process does not involve the exclusion of men or discrimination against men but ensures that women are included on an equal and competitive basis with respect to all employment opportunities.

In Ontario, the government has actively supported the principle of positive affirmative action through its vigorous promotion of voluntary action in the private sector and by its own example as an employer. Our affirmative action program within government is most successful. The wage gap between men's and women's salaries decreased by 1.6 per cent in 1982 and by

an additional 2.2 per cent this year. This brings women's salaries in government to 76 per cent of men's salaries, compared with only 63 per cent in the private sector.

Equally encouraging is the significant increase in the number of women at the executive level of the Ontario public service and the dramatic improvement in the administrative module, where women now represent just under 30 per cent, a target originally set for the year 2000. This government has made great progress, but we must do better and we will do better.

Positive results have also been achieved in the private sector, where the women's bureau affirmative action consulting service has assisted 230 major employers to implement affirmative action strategies for more than 300,000 women. Many of these employers are reporting important economic benefits, such as reduced turnover and lower levels of absenteeism among women employees. These 230 firms represent one quarter of all major employers operating in Ontario; that is, firms with more than 500 employees. The larger employers are important, because they tend to be the pace setters that establish policies the smaller employers can follow.

The ministry consultants have reported a number of encouraging results from their clients' affirmative action initiatives. I would like to describe two such programs.

Imperial Oil reports that since 1975 women in management, professional and technical categories increased tenfold from 83 to 833, and women at the professional level increased from 19 to 260. Control Data Canada Ltd. reports that since the introduction of its affirmative action program in 1979, women in senior management have increased fourfold from six to 23, and the number of women in professional, technical and engineering jobs doubled from 36 to 72.

Such increases in traditionally male-oriented fields are encouraging but, as with government, much more needs to be done in the private sector and much more will be done.

The bottom line in the issue of employment is that a wage gap does exist between working women and men. As we all know, the factor most responsible for contributing to this earning differential is occupational segregation or the grouping of women in traditionally low-paying jobs. Women must set their sights higher by acquiring education and training in nontraditional jobs in the professions, science, engineering, the skilled trades and high technology.

I am most encouraged by the full-time enrol-

ment of Ontario universities. In 1960, only 25 per cent of these students were female, but by 1980 this had almost doubled to just under 50 per cent. In 1973, just 10 years ago, only 7.5 per cent of those called to the bar in this province were women. By 1982, this had quadrupled to 33 per cent. In the same period, female registrants in commerce and business administration doubled, from 23 per cent to 46 per cent, and the number of women students in engineering had tripled. As these women enter business and the professions in what used to be male-dominated areas, we will see a significant closing of the wage gap.

As I said at the outset, we firmly believe in affirmative action. There must be equality of opportunity. There is no question that there is still a wage gap. There are still inequities. But we do not believe in tokenism. No one step and no single piece of legislation will correct the situation. For an affirmative action program to be a success, there must be co-operation of women and men involved in management, labour and government. There must be positive commitments to these programs by all. It is this co-operation and commitment that will achieve the goal we are all seeking.

Consistent progress has been made over the past three years and more consistent progress will be required in the near future. Therefore, this government shortly will be bringing forward new initiatives so that all our citizens, women as well as men, will have equal opportunity and economic equality.

Ms. Copp: Mr. Speaker, I am very sorry that neither the Minister of Labour nor the Minister responsible for Women's Issues chose to participate in the debate. I am also sorry that neither of them is able to be here for the full discussion. It is an issue that affects all of us very much. The fact that they have chosen not to speak indicates that this government is not prepared to make the kind of commitment it unanimously supported in the resolution on October 20.

5:40 p.m.

The member for Cambridge talks about the Gunderson report not being the full answer. It is obvious the Gunderson report is not the full answer. It is obvious equal pay for work of equal value is not the full answer. It is obvious that affirmative action is not the full answer. But they are part and parcel of a strategy that must be embarked upon by this government in a leadership role if we are ever to get women out

of the job and salary ghettos we find ourselves in at the moment.

For the member for Cambridge to laud the equal pay for equal work legislation this province has had in effect for more than 30 years is an indication that he does not even understand the fundamental basis of the problem.

When the member for Wilson Heights (Mr. Rotenberg) points to the fact that women across this province should set their sights higher, he does not understand that this kind of legislation would reach out not only to the Aggie MacPhails of this province—and we will have our Aggie MacPhails and hopefully we will have them in the future—and not only to the Margaret Campbells of this province, but to many women across this province who, exercising skill and effort and facing difficult working conditions and responsibilities, are paid less than their male counterparts who are doing different jobs in the same company which in many cases require less skill and effort and easier working conditions and responsibilities.

While the government is patting itself on the back for the equal pay legislation, I would like to point out an example that crossed my desk just in the last week. It was a brief that was also presented to the Minister responsible for Women's Issues by the president of the Canadian Union of Public Employees, Local 2067, in Windsor.

In this brief, the president of the union points to a situation which I would suggest is a typical one. In a Canada-Ontario employment development program launched at a library in Windsor were jobs requiring "a graduate of grade 12 preferred with accurate typing skills, ability to work with the team to ensure completion of the project within 27 weeks." Those particular COED employees, who all happened to be women, were paid \$195 a week. At the same time, COED employees employed by the same employer who were "to understand verbal instructions and an ability to work co-operatively with others, pride in doing a clean, workmanlike job," were paid a weekly rate of \$240.

This is in an organization where presumably the present laws governing equal pay for equal work apply. How can anyone suggest that a COED employee who is required to have grade 12 with accurate typing skills should be paid \$195 a week, while a fellow employee who has an ability to understand verbal instructions, that is spoken English, as well as an ability to work co-operatively with others is paid \$240 a week?

That speaks to the very difficult issue employ-

ees across this province face when there is no legislation governing equal pay for work of equal value. As long as this government continues to bring in cosmetic, smoke and mirror legislation, and as long as this government is not committed to bringing real change to the Employment Standards Act to make sure the equal value concept is included in law, then I say this government has not responded to the unanimous resolution that was passed on October 20. Indeed, it has perpetrated a sham on the voters of Ontario, in particular upon many women of Ontario who were watching every member of this Legislature when that vote was taken.

Likewise, I would challenge all members on all sides of the House who supported that legislation to rise again in support of this legislation. It is clear to me and to many women across this province, many of whom have not had the opportunity of going to law school or medical school, and it is apparent from the Gunderson report that the women we want to reach out to are those women who are living at or below the poverty line, many single-parent families, women who are working at minimum wage, women who face the kind of white-collar ghetto we have allowed to exist in this province for too long under the guise of economic stability.

For the government to suggest it is not prepared to move to mandatory affirmative action indicates to me that it is not really committed to equality of the sexes.

Earlier, the member for Burlington South (Mr. Kerr) accused me in this Legislature of being sexist because I had the gall to suggest it was unfair that women earned 63 cents for every dollar earned by a man in this province. I would suggest to the member for Burlington South that if he looked at the women who work in his riding in the low-paying ghettoized white-collar jobs, if he looked at the women who work in Hamilton, in Oakville and in other areas across this province, as long as that wage gap, which will not be completely closed by this resolution, by the previous resolution or by the Legislature in general, is not at least started towards closing, if we are not making an effort to show leadership in this area to private industry across this province, we do not have the right to stand and say we unanimously support the kind of resolution that was supported two weeks ago and that is spelled out in the legislation presented by the member for York South.

It seems to me that if we are sincere and if the

minister responsible for issues affecting women is sincere and if the Minister of Labour is sincere about their alleged commitment to changing the job ghetto situation for women across this province, then they should be here and participate in the debate, and introduce legislation and for a first time in a long time take a leadership role in what is going to be one of the most crucial issues facing the economic development and economic justice for women across this province.

It is imperative that all ministers participate in the debate and I again reiterate how sorry I am that the Minister of Labour has only now chosen to come into the chamber. It seems to me that if those individuals are not spearheading the debate then the empty phrases spoken by the member for Cambridge and the member for Wilson Heights are hollow promises which will not see fruition in this session of the Legislature or indeed in many more sessions to come.

Mr. Rae: Mr. Speaker, I just want to say in the time that is left to me that I find it astonishing that when it came to a resolution in this House which would not require action from the government, the Minister responsible for Women's Issues was only too eager to participate in the debate and to express the position of the government with respect to a matter which was really only a resolution.

But when it comes to a bill which can be made into law, which can, by the expression of simple voting on the part of members of the government, members of the Liberal Party, become the law of Ontario, the Minister responsible for Women's Issues has absolutely nothing to say, nothing to contribute to the debate. That silence in itself speaks far more eloquently of the position of the government of Ontario with respect to the improvement of the status of women and the struggle for equality in this province than anything any of us can say.

That silence with respect to the possibility of passing the law is a silence that will be remembered by the men and women of this province who care about equality and who care about real achievement with respect to the law in Ontario.

POWER CORPORATION AMENDMENT ACT

The following members having objected by rising, a vote was not taken on Bill 105:

Andrewes, Ashe, Baetz, Barlow, Bernier, Birch, Cureatz, Dean, Elgie, Eves, Gillies, Greg-

ory, Harris, Havrot, Hodgson, Johnson, J. A., Kolyn, Lane, Leluk, MacQuarrie, McCague, McLean, McNeil, Mitchell, Piché, Pollock, Pope, Eaton, Ramsay, Robinson, Runciman, Scrivener, Shymko, Stevenson, Taylor, G. W., Trel-eaven, Walker, Watson, Wells, Williams, Yakabuski—41.

5:50 p.m.

WOMEN'S ECONOMIC EQUALITY ACT

The House divided on Mr. Rae's motion for second reading of Bill 108, which was negatived on the following vote:

Ayes

Allen, Bradley, Breaugh, Breithaupt, Bryden, Cassidy, Charlton, Conway, Cooke, Copps, Cunningham, Di Santo, Epp, Foulds, Grande, Haggerty, Johnston, R. F., Kerrio, Laughren, Lupusella;

Mackenzie, Mancini, McClellan, McGuigan, Miller, G. I., Newman, Nixon, Peterson, Philip, Rae, Reid, T. P., Renwick, Riddell, Roy, Ruston, Stokes, Swart, Van Horne, Wildman, Wrye.

Nays

Andrewes, Ashe, Baetz, Barlow, Bennett, Bernier, Birch, Cureatz, Dean, Eaton, Elgie, Eves, Gillies, Gregory, Harris, Havrot, Hodgson, Johnson, J. M., Jones, Kerr, Kolyn, Lane, Leluk, MacQuarrie, McCague, McLean, McNeil, Mitchell;

Piché, Pollock, Pope, Ramsay, Robinson,

Rotenberg, Runciman, Scrivener, Sheppard, Shymko, Stevenson, K. R., Taylor, G. W., Timbrell, Treleaven, Walker, Watson, Wells, Williams, Yakabuski.

Ayes 40; nays 47.

BUSINESS OF THE HOUSE

Hon. Mr. Wells: Mr. Speaker, could I indicate the business of the House for the remainder of this week and next?

Tonight, we will do second reading of Bill 111.

Tomorrow, Friday, November 18, estimates of the Ministry of Northern Affairs.

On Monday, November 21, estimates of the Ministry of Northern Affairs.

Tuesday next, we will do second reading of Bill 111 in the afternoon and the evening.

On Wednesday, November 23, the usual three committees have permission to sit in the morning.

On Thursday, November 24, in the afternoon, private members' public business in the names of Mr. Allen and Mr. Pollock.

On Thursday evening we will continue, if necessary, with second reading of Bill 111.

On Friday, November 25, estimates of the Ministry of Northern Affairs.

I would also like to indicate to the House that we will begin sitting Monday evenings, effective November 28.

The House recessed at 6:03 p.m.

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Hansard

Official Report of Debates

Legislative Assembly of Ontario

Third Session, 32nd Parliament

Thursday, November 17, 1983

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday, November 17, 1983

The House resumed at 8 p.m.

PUBLIC SECTOR PRICES AND COMPENSATION REVIEW ACT

Hon. Mr. Grossman moved second reading of Bill 111, An Act to provide for the Review of Prices and Compensation in the Public Sector and for an orderly Transition to the Resumption of full Collective Bargaining.

Hon. Mr. Grossman: Mr. Speaker, in moving second reading of Bill 111, I would like to address a couple of the issues that have been raised over the past week or so. I should like to begin by saying I think it is appropriate to pause after the first year of Bill 179, or the first year of its application to the public sector employers, to contemplate on what the future holds and what the long-term goals of every member of this House ought to be.

Mr. Nixon: Is this a pension discussion?

Hon. Mr. Grossman: Yours or mine?

We ought to point out, in bringing in this kind of legislation, it is done this year, as it was last year, with some degree of reluctance because it will appear to the public that, to some extent, the public sector has been asked to bear a particular portion of the burden of restraint.

To put it in some perspective, however, we should always remember that while unemployment overall in our economy is now at about 9.5 per cent in Ontario, almost all that unemployment is in the private sector. Therefore, it would be only fair to point out that the private sector has borne a large portion of the burden of this recession. Many of the employees in the private sector who lost their jobs, the 400,000 people who are now unemployed, largely had no choice and carried the burden of restraint in the most difficult way possible, through unemployment.

In the public sector, therefore, when we choose to take some action, it is albeit with reluctance but also with understanding that it is fair that—

Mr. Foulds: It is called restraint.

Hon. Mr. Grossman: Could I have two of those bicentennial buttons? My kids are in the gallery there. Send them over to them.

Mr. Foulds: The minister has two bags in his office.

The Deputy Speaker: The minister will carry on with his opening remarks.

Hon. Mr. Grossman: I resent the member saying that.

In any case, I think it is only fair to say the public sector, which is being asked through this legislation to share in what everyone must surely be going through during the recession and the recovery efforts, has served us extraordinarily well. They have served us in the municipalities, in the school boards, in the hospitals, and by serving this government directly in ways I consider to be unparalleled. I have always felt it was unfair of those members of the public who just blithely say, "You have too many civil servants. They do not work hard enough." I have always rejected all of those suggestions.

Mr. Nixon: How can they say that? We have only 85,000 of them.

Hon. Mr. Grossman: We have 80,000. We used to have 85,000 but we have reduced our civil service unlike—

Mr. Foulds: Are you counting speechwriters? Interjections.

The Deputy Speaker: Order.

Hon. Mr. Grossman: That is everyone.

In any case, having confirmed our deep faith in and commitment to the public sector in this province, I think we have to acknowledge that in the steps we take. I would say in this restraint program we have chosen to take a very moderate and fair approach. We would define our approach as quite fair and flexible. It will serve those who are paying the costs of our civil service well and it will serve those who are members of our civil service and the public sector well also.

I should say that some people will suggest—I do not know from which quarter—there is no longer any need for restraint, while others will suggest perhaps that we should have been tougher and stuck with the Bill 179 mode. In rejecting both of those extremes, I think it is also important to remember that, as we look past the next year or so, we must understand that this government and the people in this province have been served well by the collective bargaining system in the public sector and served well

by the dispute resolution mechanisms that have been in place for many years and are going to continue to be in place this year.

Mr. Nixon: Tom said 40 minutes and, therefore, it has to be 40 minutes.

Hon. Mr. Grossman: I told him 10, and that is what it is going to be.

In saying that, we also must acknowledge if we believe, as I know the regional chairman, Mr. Bean, sitting and watching us this evening from the gallery will share this—I see he has some aldermen from the great city of Mississauga with him as well—

Mr. Rae: Stop facing those delegates.

Hon. Mr. Grossman: I play guitar. I do not play as well as the member plays the piano.

Mr. Nixon: I do not see Hazel there.

Hon. Mr. Grossman: In any case, as I was saying, I know the regional chairman agrees with me that in the long term we must return totally to the ordinary dispute resolution mechanisms. In so doing, we must begin the transition, and take a big step in the transition back to that circumstance, this year.

The longer people are constrained, particularly in the kind of narrow and tight restraint that was absolutely necessary a year ago, then the more there are going to be pent-up demands and more inequities growing up. Those are the kinds of inequities and the kinds of pent-up demands that will cause inflation to come right back to us the moment that legislation is taken off.

Mr. Bradley: We should have some restraint on speechwriters.

The Deputy Speaker: I am going to put a restraint on your interjections.

Hon. Mr. Grossman: Therefore, in taking off legislation, one must be as cautious and as thoughtful as one is in bringing in legislation. In so doing, I think it would have been quite dangerous for us to keep a tight restraint program on for two years and at the end of the second year just vacate the field and see what happens then. I think that would be a prescription for disaster.

Therefore, the government has decided to take a more moderate approach, a transitional approach, to restore full collective bargaining in its entirety this year and have those, the regional chairman and others, participate in going back to the bargaining table—

Mr. Bradley: Taking the blame.

Hon. Mr. Grossman: Let me say all of us elected officials are willing and prepared to take the blame. I have not heard any municipal council yet say, and I have watched the reactions very carefully, and I have not seen any municipal councillor yet say he or she is unwilling or unprepared to face up to his or her responsibilities in bargaining appropriately and with restraint with respect to their local ratepayers and taxpayers in their municipalities.

I think the same applies to the school boards. Those who take the position this legislation is going to cause people to bargain carelessly or cause the ratepayers and taxpayers to have to pay much more than they otherwise would have to pay are, I think, dramatically underestimating public sector employers—that is, the municipalities and school boards—and also the unions involved.

8:10 p.m.

I listened carefully as the public sector employers and the public sector unions assure me and the Premier (Mr. Davis) they would bargain with due respect for those 400,000 people who are unemployed, those 400,000 people who, one way or another, were continuing to pay the public sector wages and public sector costs during this period of time. I do greatly respect their commitment to our recovery.

They assured us of that. I believe we can count on that sort of commitment as we climb out of the recession and continue on the path to recovery.

Mr. McClellan: In that case, if you believe that, you do not need the legislation.

Hon. Mr. Grossman: The honourable member for Bellwoods (Mr. McClellan) says that if we believe that we do not need the legislation. Of course, he will know, having studied the bill so carefully, that we have trusted them a great deal. I know he was surprised to see how much we did trust them.

Mr. Bradley: We were all surprised.

Hon. Mr. Grossman: I know those members were. I was watching their faces as I read the statement.

But it would also be negligent of us if we did not set up a monitoring mechanism.

Mr. Kerrio: I was not surprised. I knew—

Hon. Mr. Grossman: The member for Niagara Falls (Mr. Kerrio) fainted. He wanted to run over here so fast we could hardly keep him on that side, and we wanted to.

Mr. Bradley: He does not believe in the politics of patronage.

Hon. Mr. Grossman: How is Mike Bolan doing on the bench?

In any case, might I say it would have been a mistake for us to withdraw totally.

Interjection.

Hon. Mr. Grossman: Save me from my friends.

It would have been a mistake for us not to control our transfer payments. It would have been a mistake for us simply to say, "Go bargain and do not let us know what is happening."

I think it is our responsibility to monitor the circumstance very carefully to see how it is going, to have the Inflation Restraint Board in place, to have it get full details of any negotiated agreement and ask for whatever details it needs of those agreements which cause it concern, and to allow it to make public the true cost of any settlements it believes ought to be well understood by the public, which ultimately has to pay for that settlement. All of those steps are very appropriate in a transition back to a normal circumstance which I know all members will agree has served us very well over the years.

In dealing with just one of the other significant provisions of this legislation, the arbitration process, one of the things that, predictably so, has not received much attention is the fact that we have not only set up mechanisms to make sure the arbitrators take into account the economic circumstances of the day—that is, the ability to pay—and to ensure that they address themselves to the full and true costs of each and every part of the arbitrations they bring down, but that this will also give us the opportunity to discuss with labour and public sector employers the arbitration process in total.

I have had the opportunity to hear the comments of both labour and management in this area. They have obviously not got the same concerns about the arbitration process. I think the arbitration process, like many other processes of government, bears analysis and discussion from time to time.

The two alterations we are making this year are alterations which are particularly appropriate to the transition period in the restraint program. We will see how they operate this year. We will watch it very closely. The lessons we learn from this particular exercise will be instructive to all persons involved in the process.

My colleague the Minister of Labour (Mr. Ramsay) will be setting up a mechanism whereby labour and the public sector employers can

discuss the future of the arbitration process, can analyse how it has gone during this year and the effect of Bill 111. At the end of that period of time, further decisions can be made with regard to keeping those kinds of provisions in a new piece of legislation, abandoning or changing them, or whatever.

I think it is important in this transitional year to have those kinds of factors in place to assure the public the ability to pay is being taken into account and that the arbitrators have taken note of the true cost of those settlements and arbitrations.

All in all, I would urge the support of the assembly for this legislation. It treats people involved in the process fairly and flexibly. It allows some of the problems that have developed over the first year of this restraint program to be dealt with, and to be dealt with by the people who have traditionally shown themselves to be best able to deal with them, that is, their bargaining groups, their representatives, their unions, their bargaining agents and their employers sitting down around the table together and deciding what distribution of the wage package is appropriate. I know the members of the third party share that view with me totally.

Mr. Foulds: If you have so much faith in collective bargaining, why don't you restore it in full?

Mr. Rae: It just sticks in the craw after the last year you put people through. It is garbage.

Interjections.

The Deputy Speaker: Order.

Hon. Mr. Grossman: It is music from this side; from that side it is noise.

Interjection.

Hon. Mr. Grossman: I did read that, Albert. They did not say it is was buck-passing. They said it was the right direction to go. I read it carefully.

That sort of package, which allows us to treat people fairly and flexibly, which introduces flexibility and self-determination into the collective bargaining system in the public sector, is surely the right way to go. Those who object to it and say, "Keep restraints on as tight as last year" will be voting no confidence in the traditional mechanisms that have served us very well and in the public servants who also have served us well.

Mr. Foulds: That is what you did last year. You voted no confidence.

Hon. Mr. Grossman: Conversely, some of those people who would argue no restraints are

necessary argued that case last year. None the less, the proof is quite clear. Inflation last year was at 11 or 12 per cent. Now it is at five per cent. There are 169,000 more jobs in Ontario this year than last year. Those are not totally attributable to government, but neither are they an accident. If the members do not believe it, look at some of the other provinces.

Interjection.

Hon. Mr. Grossman: From the member that is a compliment, from the receiving end of things.

The Deputy Speaker: Order. The minister will continue with his remarks.

Hon. Mr. Grossman: The Deputy Speaker in his previous incarnation carried so much of the responsibility for Bill 179 he will understand perfectly the need for a continuation of some form of restraint and the need to take the transitional step we are taking at this time.

On balance I know all members of this House will share with me the desire to move back to the traditional mechanisms and the desire to do that in a timely, measured and appropriate way. Surely this bill addresses all those responsibilities and all those needs in a moderate and appropriate way. Therefore, I look forward to the early, smooth and quick passage of this very fine transitional piece of legislation.

Mr. T. P. Reid: Mr. Speaker, it is interesting that the Treasurer made what can only be called a half-hearted attempt to explain, if not defend, the legislation he has introduced tonight. It gives rise to the belief that perhaps Larry Zolf on CBC Metro Morning was correct. Perhaps the member for St. Andrew-St. Patrick is not happy in his position as Treasurer and he is going through the motions and looking for some other portfolio where he can once more be seen to be doing things as opposed to saying no. I believe that was the phrase.

8:20 p.m.

Mr. Riddell: Is that why he is now donning rubber boots and going out into the country?

Mr. T. P. Reid: I understand he always dons rubber boots before he makes remarks like those he just made.

It is with some pride, representing the Liberal Party—

Mr. Nixon: And the Liberal-Labour Party.

Mr. T. P. Reid: That too.

It is with some pride that we contemplate what happened a little over a year ago with regard to Bill 179. On October 24, 1983, the

Divisional Court of the Supreme Court of Ontario ruled by a two-to-one vote that clause 13(b) of the Inflation Restraint Act, 1982, was contrary to the freedom of association provisions of the Charter of Rights and Freedoms. You may recall, Mr. Speaker—not these bar-racking seals to my left—that it was the Liberal Party that tried to amend Bill 179 in that very instance.

Mr. McClellan: And to make it permanent.

Mr. Nixon: We were right again.

Some hon. members: Nixon now.

Interjections.

The Deputy Speaker: Order. The member will proceed.

Mr. T. P. Reid: I do not understand how all this happened. I saw most of these people in the members' dining room. The food there is usually enough to calm everybody down.

In any case, we attempted to do our best to make that bill as fair and equitable as possible. As I indicated, our reasoned arguments at that time were upheld by the Supreme Court of Ontario in regard to clause 13(b) of the bill. It is patently obvious, in response to questions from this party and the third party, that the arguments put forward at that time, which were supported by the Divisional Court, led to the situation we have here tonight with Bill 111.

I might as well use this phrase, because I am sure my friends on the left are going to use it: "Restraint if necessary but not necessarily restraint."

We are dealing here with the fact that the Supreme Court, in its ruling on Bill 179—by a different two-to-one split—decided the wage and price control legislation was justified, given the inflationary "emergency."

Everybody and his uncle, or aunt, and his federal Liberal or Conservative brethren and so on are now taking credit for inflation coming down from almost 13 per cent to five or six per cent. One can only believe that, as usual, these things were a conjunction of events. It is possible the operations of this Legislature had only a marginal impact on the actual economic determination of inflation.

Mr. Rae: Are you calling Keith Davey a liar?

Mr. T. P. Reid: I know he has been called worse than that.

I only give this background on the Supreme Court of Ontario ruling to put it in the context of Bill 111. The piece of legislation we have here this evening has nothing to do with those court

rulings, in that they will not have the same kind of impact before the courts. The government obviously learned its lesson. Had it listened to the Liberal opposition in the first instance, it could have avoided the embarrassment to the Attorney General (Mr. McMurtry), who lost for the seventh or ninth time in a row before the Supreme Court of Ontario. Unlike members opposite, he has been consistent in losing almost every challenge before the courts.

We have some concerns about the bill. We see it as a bit of smoke and mirrors. The intent of restraint is supposedly there, but it really is not. The Treasurer has done a great job of keeping everybody happy—I find this of particular interest—and reasonably calm.

Mr. Nixon: Even the New Democratic Party.

Mr. T. P. Reid: Even the NDP; they have not been able to gird themselves up in those tight shorts they put on when their voices get high and they shriek and shrill—except about the doctors. Is it not interesting—it is certainly interesting to me—that last year, as Liberals, one of our fundamental complaints about the bill in terms of fairness and equity was that everybody had to be treated as fairly and equitably as possible?

Mr. Rae: You voted for it three times.

Mr. T. P. Reid: My friend says we voted for it three times. He is absolutely correct. But if he can tear himself away from the calendar issue, because I understand he is still trying to figure out how he got \$12 for the Treasurer's calendar, I remind him of the fact that the government, playing its usual game, kept hoisting off and saying: "We are going to deal with the doctors. By God we are going to bring them to heel, and they are going to be under Bill 179."

As time and a half went by, we got sucked in—if I may use that phrase, I do not think it is unparliamentary. As time and a half went by, the bill came to a vote and we presumed that even this government would not have the audacity to allow the doctors to keep the increase they had negotiated with the new Treasurer, the then Minister of Health.

Is it not a delicious irony for those of us who said everybody should be treated equally in this that a year later that same Minister of Health, now the Treasurer, is standing in his place before us and banging his table, saying, "The doctors will be included in this program because these are transfer payments under OHIP." In a year's time they all became not self-employed entrepreneurs but recipients of transfer pay-

ments, as neat a juggling act as even Mackenzie King was able to do in his day.

Hon. Mr. Grossman: Is that your argument?

Mr. T. P. Reid: I was going to say it grabs me, but I do not have the talent and finesse of the Treasurer for the bon mot. However, it really is an interesting situation, because two things also get lost in this. One is that as of January 1, 1984, the doctors are still going to get their increase; they are not being restricted to five per cent.

The other part that really gets me is that the head of the Ontario Medical Association called a press conference, went on television and talked about being doublecrossed and stabbed. He said he was a man of principle and he believed that a man's word was a man's word and that a contract was a contract.

With respect, I wonder where that doctor and his association were the year before when the government did that very thing to the civil service. I mean, fair is fair. I must say I do not have much problem with the doctors in terms of the hours and the time they work in most cases, but I find it almost—

The Deputy Speaker: I wonder if I may interrupt the member to exercise the prerogative of the chair. In the course of the debate, the Treasurer mentioned that we had in attendance in our gallery the regional chairman of one of our regions, Chairman Bean. He mentioned they have been partners in the debate as we talked about constraint and restraint. We also have with us this evening the mayor of one of our municipalities—it happens to be the Deputy Speaker's municipality—Mayor McCallion of Mississauga. We welcome Madam Mayor.

Mr. T. P. Reid: It is always nice to see a Grit here—or a sometimes Grit, Hazel; I am not sure which.

Anyway, Mr. Speaker, you stopped me in full oratorical flight about the delicious irony of the then Minister of Health oozing in and out of these back rooms trying to bring the doctors to some accommodation and saying, "Look, boys and girls, we are all in this together, and if you do not go along with this, we are going to have to do something;" and the doctors stabbing him in the back as badly as he has been stabbed even by the other members of his caucus who are running for the leadership along with him.

8:30 p.m.

It was interesting that on the day of the appointment of the Treasurer, the press asked the present Treasurer—the then Minister of Health, who had given the store away to the

doctors in the terms and context of Bill 179—"Mr. Grossman, what is your view and philosophy as the new Treasurer of Ontario?" He said: "Restraint, restraint, restraint." This was the man who had given the doctors some 13 per cent not very many months before.

All of these things are coming back to haunt the Treasurer. But with the greatest aplomb that those people over there have taken unto themselves since, as the Premier would say "the realities of March 19," nothing bothers them any more. They know the action is at the federal level with Pierre. Will he? Will he not? Will the Jaw do it? Will he not? They can get away with all of these things.

I must say I took, in the meanest corner of my heart, just a teensy-weensy little bit of comfort that here was the same man a year later getting his own back at the doctors. It was an interesting thing. But, as I said, let it not be forgotten that they are not being restricted this year to five per cent. They are still going to be doing much better than that.

We have some particular concerns about the bill. We want to see this bill go to public hearings so that those directly affected will be able to come in and say their piece. I trust the Treasurer will be amenable to that. I presume my friends to the left will request and require it as we do.

I want to put that up front so the Treasurer will not have any concern in his mind that this is where we want to see this bill as a signal for those who have legitimate concerns about this legislation that they will have their day in court. We have seen in matters of other legislation that this does not always happen in Ontario.

We are not out of the economic woods yet. Frankly, one of the disappointments to me about the new Treasurer, whose ability I have a high regard for—he has survived a lot of knife thrusts that would have brought down poor old Duncan—

Hon. Mr. Grossman: Stuart Smith.

Mr. Rae: Try Stuart Smith.

Mr. T. P. Reid: Stuart Smith was another question. How about the member for Ottawa Centre (Mr. Cassidy)? One thing about Stuart Smith: he was always stabbed from the front. The member for Ottawa Centre always had the knives in his back, but we will not go into that. He always said he always backed out of the NDP caucus; but do not let me get away from this.

Our concern about this bill is in two major respects. One is, we obviously have concerns

about the wage side. The other side where we have concerns—and I will not reiterate all our amendments from Bill 179—is on the price side. Our concerns really are on the price side. If we are going to say to people, "We are going to keep a cap on your wages; we are going to restrict you," then it is only fair that those administrated prices under the aegis of Ontario should be controlled at the same level.

One thing that concerns me as a legislator of some years here is that in the past we have made the mistake of giving too much discretion to the Lieutenant Governor in Council; i.e., the cabinet. For instance, I remember when we passed the bill setting up the Ministry of Energy, there was a phrase in there that allowed the government to go out and buy an oil company. It never occurred to most of us on this side of the House, and obviously 90 per cent on that side of the House, including the member for Leeds (Mr. Runciman) and even the former Treasurer, the member for Muskoka (Mr. F. S. Miller), that a good Progressive Conservative government of Ontario would go out to buy an oil company.

Before we finish second reading, I hope the Treasurer will address himself to two matters. First, the bill provides that the Treasurer shall in some cases—the wording in the bill is very vague—provide criteria upon which judgements will be made by the Inflation Restraint Board. It disturbs me that we in the Legislature, obviously because of the numbers in the place, are going to give the Treasurer the ability to set criteria in terms of wages, what the wage package will consist of, whether it will be merit increases, staff increases, benefits or perks of whatever kind one wants to name. In fact, we do not know what those criteria are.

The same thing comes under the price side of Bill 111. The Minister of Consumer and Commercial Relations (Mr. Elgie) shall provide such criteria as he sees fit. Last year, we were provided with some of the things from that minister by letter of September 23, 1982, in regard to regulated prices. In fact, this whole thing gives the government, the Treasurer and the Minister of Consumer and Commercial Relations too much scope. We do not know what the criteria are going to be. In a democratic society, I think we should be able to have those criteria laid before us. May I ask the Treasurer whether we are going to have these criteria tonight?

Hon. Mr. Grossman: Not tonight.

Mr. T. P. Reid: Are we going to have the

criteria before we vote on second reading of the bill?

Hon. Mr. Grossman: It depends when we vote on second reading.

Mr. T. P. Reid: The fact is that too much of what we do in this chamber is based on regulations drawn up by the civil service and passed by the cabinet, which sometimes even frustrates the spirit of the very bills and legislation we are going to pass. I really think the nuts and bolts of this to a large extent are based on the kind of criteria the minister is going to set.

I have to balance that off with the fact that all the arbitrators do is consider these matters; we do not suppose that they should have the ability to make these final judgements. In terms of the price side of the equation, all that is going to happen is that the Inflation Restraint Board can report to the minister exactly what it has found. This does not necessitate any kind of action on behalf of the Treasurer or cabinet.

The other thing that bothers me about this section is that at the same time these decisions of the Inflation Restraint Board will not be made public. We can understand the confidentiality of the information the arbitrators draw to themselves to make their decisions; however, what we cannot understand is that the people who either make the complaint about the price side, or the cabinet or others who might suggest that some of these prices are out of line, will not necessarily under the legislation get any kind of answer to what they have asked for.

8:40 p.m.

One of our amendments, among at least five others, will be that anyone in the public in Ontario can ask the Inflation Restraint Board to review an administered price increase by Ontario or any of its agencies, boards or commissions and ask for an explanation as to why it is above the five per cent ceiling.

The other matter that has caused some concern—we have been in touch with a number of the people most directly affected by this, the union movement and so on—is the reference that the arbitration boards will take into consideration the whole matter of the employer's ability to pay. It is an interesting issue. We heard some of it in the House this afternoon. As my learned friend the leader of the third party well knows, every time one has one lawyer giving a learned opinion, if that be what it is called, one will find another lawyer giving another learned opinion on the exact opposite side. From what I am told, that is how lawyers make their money.

It appears to be nearly universally accepted that the bill does not impose a five per cent ceiling on arbitrators' awards. They need only "consider the government's policy." I would like to quote one expert, former Osgoode Hall Dean Harry Arthurs. The minister has heard of him.

Hon. Mr. Grossman: He taught me everything I know about labour law.

Mr. T. P. Reid: Other than that, he has an excellent reputation. I am quoting him. Since the bill requires an arbitrator only to "consider the ability of the employer to pay," there is nothing to prevent the arbitrator from "considering ability to pay and then offering his reasons for awarding more than five per cent." What seems to bother or worry the unions is that weaker arbitrators may be swayed by the government's directive and restrict awards to five per cent, even though they are not legally required to do.

I listened carefully to the questions and answers in the House and I tend to agree with my leader that a lot of this is smoke and mirrors. I would have thought most arbitrators were taking into consideration the entire economic background of the awards they were making, including the ability to pay of the employer or management. I do not see it as unduly restricting the awards and I suspect, from what I have seen of some of the arbitration awards in the past, that this has not unduly restricted them from making the best judgement they can under the circumstances.

While we have some concerns about it, we find that generally that does not bother us as much as it would others, because the whole thing has been watered down sufficiently that there does not seem to be the kind of direction, shall we say, in Bill 111 in these matters that there was in Bill 179.

We have already indicated we have about six amendments. One of the things we are concerned about is that the bill does not treat everybody equally. We might have a situation, for instance, where the concept of what is the wage package is different for a group of teachers as opposed to policemen.

There seems to be an anomaly in the bill. In one instance the minister is dealing with wage increases, but in another group there might be a situation where, for instance in a police force, two, three, four or five constables might have to be hired, and those new bodies would be included in the overall compensation package, which in some small areas would negate or wipe out a complete wage increase for anyone. I

wonder if the Treasurer might just focus his attention on that to ensure all groups are treated equally under this bill.

One of the other problems we see in this relationship is that—again I will use a particular instance—people working in nursing homes, who are what we may call paragovernment people for want of a better phrase, may find themselves unduly restricted because of the nature of their employment. In the last couple of weeks, we have heard at great length about what is happening to some nursing home employees in terms of being laid off for contract workers or casual workers. I see this as a problem within the bill in terms of their wage contracts as well.

Bill 111 is probably as well constructed an effort as we have seen by the government to be all things to all people; to say to their Conservative friends, "We are still having restraint," and to say to the unions and everyone else, "You are not really having restraint." We applaud it because we pushed very hard for the return to some kind of collective bargaining. We have seen almost all of the amendments we put forward last year come to fruition in this bill.

Our main concern is still the price side of the bill. We would like to see that strengthened. We would like to see more teeth in that. We would like to see Ontario Hydro, the Ontario health insurance plan, rent controls, all the administered prices, all of those things kept at that five per cent level.

We understand there is a problem bringing in coal or other fossil fuels on occasion for Ontario Hydro and all the rest of it. At the same time, we really believe the government—the Treasurer being one of the worst offenders—has spent and wasted a lot of money on things such as Suncor, government advertising and speechwriters. There is still a lot of fat in the Tory underbelly that can be cut out if the Treasurer is really serious in what he said on the day he was appointed. As Mr. Mulroney said, "The issues are three things: employment, employment, employment." The new Treasurer of Ontario said, "Restraint, restraint, restraint."

I do not want to get diverted, but I did notice that the Treasurer opened one eye. I gather he was listening to me, so I want to just hark back to Goldhawk on the Canadian Broadcasting Corp. The people at CBC came to me and said they wanted to talk about government advertising. They said that last year the Liberal Party and others raised the fact there was at least \$40 million in government advertising in a period of

restraint. They said they wanted to have me and the new Treasurer on a show to debate this subject.

The present Treasurer, for some reason, declined to do that. I have never seen the present Treasurer afraid of anything, except perhaps the Minister of Agriculture and Food (Mr. Timbrell) breathing down his neck or vice versa; I am not sure which. I say that only in a leadership context.

8:50 p.m.

I found it passing strange that the Treasurer would not be in the studio with me to talk about restraint and how the government could preach restraint and at the same time the new Minister of Culture and Citizenship (Ms. Fish) would increase her budget for public relations by 130 per cent; and we have the situation of the honourable minister—I cannot remember, he keeps changing positions so often; he is almost out the door anyway—the member for London South (Mr. Walker) and his speechwriters and all that good stuff.

It was interesting, because I watched the program and the Treasurer, in response to the interviewer, said, "Mr. Reid is entitled to ask questions about advertising and all those things and of course that is his job." That was an admission that must have cost the Treasurer dearly because he tends sometimes to think that we do not have a role over here.

But then the interviewer said, "But what about this \$40 million for government advertising in a time of restraint?" The Treasurer said, "Well, of course, Mr. Reid and his colleagues are just nitpicking, nitpicking, nitpicking." As if \$40 million did not mean anything to the new Treasurer. Of course, for somebody who had given the doctors more than 13 per cent, I suppose \$40 million was really nitpicking and why should anybody ask about it.

We believe, and we said it a year ago, that the economic circumstances called for restraint on behalf of all of the people of Ontario in both the public and the private sector. We still believe that. We also still believe that the government of Ontario, as evidenced by the various cabinet ministers and their programs, should be the leader in showing that it really believes in restraint. They do not do that by their expenditures on speechwriters and public relations people and consultants in advertising.

Most people obviously are prepared to go along with some kind of restraint but they will not go along with the hypocrisy that we have seen evidenced by this government and on

occasion by this minister in the expenditures they are prepared to condone.

Mr. Speaker, I have gone on much longer than I had intended, but maybe I should draw to your attention—

Mr. Breaugh: Why do you not go for a little substance, just to wind up?

Mr. T. P. Reid: Oh, do members want more?

It was interesting that in the public accounts committee this very morning we heard about a deputy minister who spent something like \$617,000 on a Telepac situation for the government phone book without any reference to Management Board, without any feasibility study, without any reference to anybody. I should not say that; there was a reference to Management Board and it was turned down. They said, "Go away; this does not make sense."

Mr. Bradley: And over the objection of the minister.

Mr. T. P. Reid: And, I might add, over the objection of probably the only minister who really believed in restraint, the former Minister of Government Services (Mr. Wiseman). He said: "No, we are not going to do that. We are in a period of restraint. That is a silly expenditure. We cannot justify it." Who was there? Mr. Gordon, the deputy minister was there. But the only man who stood up in his place and was counted said: "I really believe in restraint. I believe in what the Premier is saying." Where has he gone?

It is a matter, I guess, as at the end of Julius Caesar: his going was, whatever, but his leaving was—in any case—

Mr. Bradley: What about the Minister of Municipal Affairs and Housing's (Mr Bennett) new office?

Mr. T. P. Reid: I am not even going to mention, as the member for St. Catharines (Mr. Bradley) said, the horrendous expense to the taxpayers of the new office of the Minister of Municipal Affairs and Housing and the \$100,000 we are spending on it.

An. hon. member: Suite.

Mr. T. P. Reid: Suite, I am sorry.

The Acting Speaker (Mr. Robinson): Order, order.

Mr. T. P. Reid: In any case, we believe that the times, not only now but in the future, are going to call for that very tightening of expenditures across the whole economic spectrum, whether it be public or private. We call upon the government opposite to belie its past actions

and give credence to its actions by Bill 179 and Bill 111 that it really believes in restraint. As we all know, if one wants to change the world one changes one's self. We hope that free-spending cabinet on its own will change itself and bring real restraint to its own expenditures.

Mr. Foulds: Mr. Speaker, I am going to be considerably longer than the other two speakers this evening. If I may say so, I am going to try to treat the legislation with somewhat more seriousness than the previous two speakers. I do not mean that in any derogatory or self-serving way.

We just happen on this Thursday evening, and Thursday evening sittings are notorious for their triviality and frivolousness, to consider this to be an extremely important bill. As the government has done nothing else in terms of its economic program and this is the only arrow in its economic quiver, we happen to consider that we should use this occasion to discuss some of the government's economic policies. It certainly used Bill 179 last year as its sole economic policy. It certainly used it as its sole economic initiative. If I may, this evening I would like to take the members through a number of issues surrounding the economics of Bill 111 and its predecessor, Bill 179.

I guess it will come as no surprise to the House that I rise on behalf of my colleagues to oppose this bill. We will vote against it. We will divide this Legislature on it as we did on first reading. Let me say clearly that the bill is not as objectionable in all of its particulars as Bill 179 was to us, but it is objectionable and it is objectionable both in some particulars and in its principle.

It does not, in my view, interfere in due process in such an objectionable way as did Bill 179, but it does attack certain fundamental traditions of this province and of this country. If the Tory party, the Conservative Party, and the Liberal Party of this province are not prepared to defend honourable traditions built up over the years in this province, then we in the New Democratic Party are prepared to defend those traditions.

We happen to believe with more than lip service that the traditions built up in labour relations in this province are worth fighting for. We happen to believe that the traditions built up in the public sector in the arbitration award process are traditions that are worth fighting for. If the beggars in the other two parties wish to attack them through their support for Bill 111, so be it; but this party is not going to remain silent this evening or on any particular evening

about such fundamental issues and about such fundamental traditions that have been built up in this province because it suits the convenience of the members.

I would like to point out that there has been an interesting and subtle, but fundamental, change in the so-called Progressive Conservative Party of Ontario. The Conservative Party has always tried to maintain its hold on power in this province by saying it respects the traditions of this province. It has always given lip service to paying its dues to the process of law in this province.

9 p.m.

What we have seen in the last year or two is that when it has served the government's convenience, it has had absolutely no hesitation in interrupting that due process of law. It has had no hesitation in bringing in legislation that I believe in its heart of hearts it knew in the first place would be unconstitutional. It also knew that a challenge to the court and a finding of judgement on that unconstitutional legislation would take a year and it could get away with doing it. I find that a most peculiar and a most unsavoury use of the law.

As democratic socialists, my colleagues and I in this party have an enormous respect for due process, for the process of the law. That is what democracy is all about. It is the Tory party, together with the party to my right, the Liberal Party of Ontario, that has interrupted and attacked those fundamental conservative principles of respect for the law, authority and due process.

While Bill 111 is not as objectionable as Bill 179 of last year, it is still objectionable.

Mr. Bradley: Look what the Saskatchewan government did to the hospitals, or the Quebec government.

Mr. Mackenzie: You know a lot about it anyway. Talk about principles; it is a long way from you.

Mr. Rae: You guys are a bunch of prostitutes.

Mr. Foulds: I will not be diverted by the interjections, but I will point out that the government of Saskatchewan paid the price, and I believe the government of Quebec will pay the price. It is my most sincere hope and desire that the government of Ontario will also pay the price because it certainly deserves to. I want to put this House and the province on notice that we will be fighting both in this Legislature and on the hustings to make sure the government of Ontario pays that price.

One of the things that is fundamental about this bill, and more important fundamentally wrong about the Treasurer's statement, is that it does not substitute fairness and objectivity. Fairness is a word that never crossed the Treasurer's lips in his statement. Flexibility was the order of the day. He said his government considered five per cent to be fair. What an arbitrary statement to make.

Who is he in his wisdom, or his government in its wisdom, arbitrarily to declare, "We consider five per cent to be fair?" What does that have to do with objectivity? What does that have to do with the negotiations, the collective bargaining process the Treasurer paid such lip service to in his opening remarks tonight? What does the statement of the Treasurer, as spokesman for the government of the authoritarian Premier, mean when he says, "Five per cent is what we consider to be fair."

What it specifically does not do is substitute fairness and objectivity for those workers in the public sector who, for the public good, have had their right to withdraw their services, their right to strike, taken away by governments.

Specifically, I want to get into the arbitration aspects of the bill somewhat later in my remarks, but I was indeed shocked by the attitude of the so-called Leader of the Opposition (Mr. Peterson) this afternoon during question period when he said he considered making an issue out of the attack on arbitration to be making much out of nothing. I think that shows a fundamental lack of understanding by the Leader of the Opposition and by the Liberal Party of what arbitration is all about, let alone what labour relations are all about.

The most fundamental reason the bill and the Treasurer's statement are most objectionable is that they do nothing to solve the current economic crisis. The major economic issue of our time is the crisis in employment and the responsibility of creating jobs.

I want to talk about responsibility for a moment. The members of the Conservative Party of Ontario have always put themselves forward as the responsible managers of the province. They have always put themselves forward as being the party that is cautious but responsible, progressive but responsible and conservative but responsible. I have seen that responsibility fail time and time again in this House. I have seen an increasing number of incidents surrounding it. I will name a couple of the more trivial ones, although they illustrate the point.

The former Minister of Industry and Trade (Mr. Walker), without following the due process of Management Board of Cabinet, gave jobs to friends of the Conservative Party at a cost of \$400,000 to the taxpayers of Ontario. Nobody over there accepts responsibility—not the Chairman of Management Board of Cabinet (Mr. McCague) whose job it is to see that the Manual of Administration is followed, not the Premier, not the Treasurer (Mr. Grossman), not the current Minister of Industry and Trade (Mr. F. S. Miller), who yesterday washed his hands of the issue; and certainly not the former minister. Where is responsibility there?

On a more fundamental note, I would say the greatest responsibility of government today is to try, in whatever manner and through whatever means it can, to create jobs. Jobs are the number one priority of any government in the western world today. Jobs should particularly be the number one priority of this government. Yet the only two job-creation projects I can think of that this government has done anything substantial with in the last 10 years are in the lottery business. The most visible short-term job-creation program it has created is the bicentennial project for 1984.

I found it somewhat offensive today when I went back to my office after question period to find that I, along with every other member of the Legislature, had been given this bag of bicentennial buttons, like a Hallowe'en treat bag, to give out to my constituents.

Mr. Haggerty: It did not cost you anything.

9:10 p.m.

Mr. Foulds: If that is the biggest job-creation program the government can devise for winter works over this coming hard winter, it has to be ashamed of itself. I am a button collector and my two kids are button collectors. I know several members who came to me when I brought the bag in this evening wanted them, including the Treasurer for his own family, and I do not blame them.

But what kind of triviality has government come to when we face the unemployment statistics we continue to face in this province and we have this kind of foofaraw, this kind of trivia, as a thing to make us feel good during 1984 in anticipation of or concurrently with a provincial election?

I do not know how many buttons were in there, but I would think several hundred. There were 1,000 buttons given to every member of the Legislature for his constituents. That is not

even good bread-and-circus economics, but that is what it has come to with this government. They are practising the government and the economics of bread and circuses.

This government has abdicated its responsibility to create jobs. It has abdicated its responsibility to take initiatives in the public sector, in the private sector and with joint ventures to create jobs, and it is that which it must be fundamentally faulted for.

I want to deal with a number of issues this evening and I want to itemize them at the beginning of my remarks so the members listening understand the framework within which I am speaking.

First, I want to deal in some degree with the government's failure of leadership on economic issues. Second, I want to deal with the retreat by the government to the punitive kind of measures it has taken in this legislation and in other legislation because of its own failure to manage not only the economy of the province but its own mere fiscal budgetary responsibility. Third, I want to deal with some of the unfulfilled promises, particularly of the Premier, as they were made in the introduction last year of Bill 179.

History, in my view, will judge the Premier of Ontario, strangely enough, more harshly than it will judge the deposed leader of the federal Tory party. I want to say that very directly and very sincerely because the Premier of this province has had the authority, has had the power, has had the undying support and loyalty of his party and refused to exercise that authority in any kind of leadership role, whether it came to French language rights, educational rights, health services and rights in that sector, or economic rights and labour relations rights.

The failure of the Premier, given the enormous support, given the enormous authority, given the enormous power and control he has over his own party and over this Legislature to take initiatives and actions, will be judged harshly by history because essentially he is a man who has had no vision. He is a man who has led this province for 12 years with no courage to stick out his neck, without the courage to state whatever fundamental principle he or his government might stand for.

Fourth, I want to deal with this bill in its particulars where this bill exercises discrimination and unfairness.

Fifth, I want to deal specifically with the arbitration sections of this bill. We consider those to be not a mere passing part of the

economic and labour relations scene of the province, but we consider they have been a fundamental part of the labour relations scene of this province.

Finally, I want to conclude, when I do some time from now, by dealing with the total lack of economic initiative by this government to try to achieve what my leader has called job justice.

The government of Ontario and the Conservative Party of Ontario have totally rejected Ontario's traditional values. They have totally rejected not only the idea that Ontario can work but the idea that the people of Ontario want to work. That is the greatest failing of the Conservative Party and that is the greatest abandonment of its own principles.

Let me first deal with a few parts of the Treasurer's statement as he announced his program, some 11 days ago I believe. The Treasurer said: "There is no question that our government's action last fall"—he is referring to Bill 179—"contributed to both the dramatic decline in inflation and the economic recovery now under way. This has given us the flexibility to invest in strengthening the recovery by addressing major issues such as new job creation."

Let us take a brief look at some statistics about job creation. In Ontario today, as of September 1983, if we take the recession period starting in August 1981 as 100 for unemployment and compare that to today's figures, we will see the job recovery rate in Ontario as a whole is only 63 per cent; that is, some 37 per cent of the jobs that have been lost since the base month, since August 1981, remain lost and not recovered. We are still without 183,000 jobs that have been lost during the current recession.

Let us take a look at that sector by sector. In the agricultural sector we are still without 22,000 of the jobs lost in the last couple of years. That means there has been a recovery rate of only 67 per cent.

In the nonagricultural primary sector or the resource sector we have only had a recovery rate in those jobs of 33 per cent. In other words, two thirds of the jobs lost in that sector, which has traditionally been the backbone of the economy in northern Ontario, have been lost and not recovered during the recession.

Let us take a look at the manufacturing sector. The job recovery rate in the manufacturing sector in Ontario has been 51 per cent. In other words, 49 per cent of the jobs lost in that sector are still lost and have not been recovered. We are still without 103,000 of the manufacturing jobs that have been lost during the recession.

In the construction sector, we are still without 26,000 jobs that have been lost during the recession.

9:20 p.m.

During the debate on interim supply I went on at length about the latest unemployment statistics in Ontario. I plan not to repeat that this evening. However, I want to say to the Treasurer and to the government of Ontario that while there is still double-digit unemployment in this province there is no economic recovery worth talking about. While the people from Thunder Bay to Windsor and St. Catharines continue to walk the streets looking for jobs there is still a depression, in my view.

In this party, we will talk and give the government credit for an economic recovery when there are jobs. As a short-term goal, what I would like to see this government try to pursue in the next year or two is not a six-and-five program, not a five program, not a nine-and-five program, but what I call a five-and-five program. What this means is keeping the inflation rate down to five per cent and bringing the unemployment rate down to at least five per cent. This would be a goal worth seeking in the next 18 months.

I am not unrealistic. I do not expect to magically achieve zero unemployment. However, I say that until the people of Windsor, Toronto, Thunder Bay, Kenora, Kapuskasing, Kingston, Cornwall, St. Catharines and Niagara Falls have an unemployment rate of five per cent, this government and the federal Liberal government have failed in their primary responsibility to the people of this province. So let us hear less talk about a five per cent program and more talk about a five-and-five program—five per cent inflation and five per cent unemployment in the next 18 months.

I put this out to the Treasurer as a challenge he should undertake, as a challenge his government should undertake and as a challenge Ontario should undertake. It is a challenge which, if given to the people of Ontario in every region of this province, I believe they would respond to.

I want to share with the House some thoughts I have about the failings which the Treasurer did not mention in his opening statement about Bill 179. In Catholic theology, there are things called sins of commission and sins of omission. I suggest that this government is guilty of economic sins of omission.

On the introduction of Bill 179 last September, in all solemnity the Premier rose in this

Legislature and said: "The inflation restraint program, which we are proposing today, is but one step in a process to economic recovery. We are currently working on a further series of initiatives designed to generate further employment and stimulate economic activity."

Where have those economic initiatives been? Where were the series of economic initiatives the Premier referred to? A year later, we know what the Premier meant. We know Bill 179 was not just one step in the government's program. We know it was the only step in the government's program.

We know that Bill 179 did not promote economic recovery. Instead, it actually set back the recovery by significantly contributing to the decline in real wages and living standards in Ontario's workers. It reduced their purchasing power and it prevented, in some considerable part, any chance of a consumer-led recovery.

That is why, within the past week or two, we have seen a number of commentaries by economists, by people in the business world and by institutes that deal with economic matters in which they state that they are worried the recovery is faltering a little. There is no money in the consumers' pockets to help generate part of what is necessary for economic recovery, and that is consumer demand.

The government's economic program last year was a punitive one. For those who had jobs, the Conservative government admits it took away their wages. The so-called Inflation Restraint Board not only rolled back settlements but also insisted on paybacks from settlements to nurses and others in the public sector all over this province.

For those who did not have jobs, the Conservative government failed to give them any hope of a job. For those who needed government assistance, the government of Ontario has limited that assistance. For everyone, whether or not they had jobs and whether or not they needed government support, the Treasurer took away their incomes by increasing their taxes.

It is incredible, although it is not surprising, that the Treasurer would now stand in the House and have the audacity to say, "There is no question that our government action last fall actually contributed to both the dramatic decline in inflation and the economic recovery." If that is the level of sophistication the new Treasurer brings to his economic portfolio, then all I have to say is, "God help us all."

There is no economic analyst, no economic research institute, no one of simple, good com-

mon sense who would try to defend such a statement, and yet the Treasurer states it as a bare-faced matter of fact. I use the phrase "bare-faced matter of fact," because the other conjunction of words is unparliamentary.

Wage controls had absolutely nothing to do with reducing inflation. Inflation dropped dramatically, not because of wage controls but because the economy went into a tailspin; because what is now being called the great recession knocked the bejabsers out of production and consumption in Canada.

If the Treasurer, by taking credit for reducing inflation, is actually taking credit for the recession, then he is welcome to it. He deserves it. The government can claim little for Bill 179, other than that it is an arbitrary denial of human rights, civil rights and due process.

9:30 p.m.

I want for a moment or two to challenge, in the most fundamental way, the easy assumptions of Bill 111 and the Treasurer's statement. I refer to the easy assumptions that have become part of the North American and, if I may say so, the western world's ethic of today with regard to the great recession.

One such easy assumption, which in my view is an erroneous assumption, is that workers, particularly public service workers, are responsible for inflation. I and my party categorically reject that proposal. Another assumption I want to challenge is the assumption that somehow the status quo is okay. I want to challenge the assumption that we have achieved in the western world as much equality, in terms of social or economic justice, as we are ever going to achieve. That is what the assumption of Bill 111 is. That is what the assumption of Bill 179 is. That is what the assumption of the Treasurer's statement is. Those assumptions are wrong.

I also want to challenge the assumption that somehow those working in nursing homes or in the public sector deserve to get paid less simply because they are in some way providing a service, mostly a social service, and they deserve to get paid less because they are in the public sector.

The New Democratic Party says one nurse's aide in a home for the aged does more good for society, does work of more social and economic value, than any flack or hack in the office of the Premier from John Tory to Denis Massicotte, or even to the chairman of the Progressive Conservative Party government patronage committee, Ed Stewart. I say in all seriousness that nurses' aides in Pinewood Court in Thunder Bay

do more work of more value than any of those assistants in the Premier's office. They do more fundamental good, and they deserve to be paid for that work.

The fundamental flaw in Bill 111 is that it does not allow, in conjunction with the Treasurer's statement, in any substantial way for a possible catch-up for the workers in the public sector who are at the bottom third of the pay scale.

I do not have the details in front of me, but I remember the case of Marie Mitchell, which we raised in the Legislature last year time and time again. It illustrated the sheer unfairness of the government's legislation and the continued unfairness that she will experience under this legislation. She worked in a nursing home—I have forgotten the exact location; it was somewhere between here and Guelph, or it may well have been Guelph itself.

Her union had negotiated a two-year contract that actually gave her an increase of 10.2 per cent in one year and 11 per cent in the second year. The base wage they started to work at was somewhere in the neighbourhood of \$9,800; so that by the end of the second year, Marie Mitchell's wages would have been up to the astronomical figure of something like \$11,100 or \$11,200. What Bill 179 did was roll back the second year of that increase by something in excess of \$600. What this government did was to rob that woman of approximately \$600.

There is no provision in this bill and the government's statement for Marie Mitchell to recover that money, and there is no provision anywhere in the government's economic policy or planning for Marie Mitchell to catch up to a decent standard of living in comparison with other people in our society who are doing comparable work.

She happened to be a single parent. She happened to have a teen-aged daughter. She also happened, just the month before this government brought in that legislation, to have had a rent increase of 34 per cent granted by the Residential Tenancy Commission.

I remember that case without having to pick it out of my files, and I look at this legislation and at this Treasurer's statement and his talk about flexibility and how one can negotiate. How can one negotiate in that small unit of some 20 members or so, as I recall, who are all getting paid about the same amount? What kind of redistribution of wealth is taking place there that genuinely should be taking place?

There is no provision, in spite of the Treasurer's bravado, for catch-up for the Sensenbrenner

workers, for the workers at Pinewood Court or for the workers at Thunder Bay's municipal homes for the aged, all of whom have had rollbacks or paybacks.

We in this party believe in a redistribution of income. We believe in fairness. We believe in a fair taxation system. We also believe that in the public sector there should be a fair compensation system.

If there is only one economic pie and that pie is to be shared by all of society and it is limited, then Conrad Black should be eating slices from the same pie as Marie Mitchell. They should not be eating different kinds of pie or different parts in different proportions. They should not be hermetically sealed in two different worlds if we have a society in a province that wants to talk about fairness, justice and economic opportunity.

The fundamental principle of my party is, "From each according to his ability; to each according to his work." We say the work of a hospital worker, of a Marie Mitchell or of a worker at any hospital, school or day care centre across this province is every bit as important, every bit as valuable and every bit as good to the economic and social wellbeing of this country as that of a Conrad Black in the private sector or an Ed Stewart in the public sector. Their work is every bit as good and deserves to be rewarded every bit as well as their fellow workers in any comparable job in private industry.

I want to mention in passing, for a moment or two, what the other opposition party in the Legislature has had to say about the precedent to Bill 111. I want, for a moment or two, to touch upon the position taken by the DPCLPOO, that is the David Peterson Community Liberal Party of Ontario, in its attitude towards workers and to economics.

9:40 p.m.

The one I want to draw particularly to the Legislature's attention this evening is one enunciated by the member for Windsor-Sandwich (Mr. Wrye) in a letter to, I assume, one of his constituents in Windsor, Ontario, when he talked about wage controls last year.

The letter is dated September 8, 1982. I think it is important to get on the record the position as enunciated by the Liberal Party of Ontario at that time.

"The Ontario Liberal Party would impose mandatory controls in the public and private sector." There is no qualification on that. "We believe that there must be equity in our actions

and that without controls in the private sector there can be no equity."

Mr. McClellan: What is the date of that letter?

Mr. Foulds: That letter is dated September 8, 1982.

Mr. Rae: Read it again.

Mr. Foulds: That is a mere year and a month ago, a year and two months ago.

Mr. Rae: Read it again.

Mr. Breagh: Did you say "both public and private sectors"?

Mr. McClellan: What was the phrase again?

Mr. Foulds: Let me read it in its entirety.

Mr. Rae: Did he send it to Chrysler workers in his riding?

Mr. Foulds: He actually sent it to a Ms. Dorothy Montgomery, of 457 St. Paul Ave., Windsor, Ontario. It said: "The Ontario Liberal Party would impose mandatory controls in the public and private sector. We believe that there must be equity in our actions and that without controls in the private sector there can be no equity."

Mr. Breagh: Wait a minute; "controls in the private sector"?

Mr. Foulds: "Controls in the private sector."

Mr. McClellan: Did it say "controls in the private sector"?

The Acting Speaker (Mr. Robinson): Order.

Mr. Foulds: That is the free enterprise of the Leader of the Opposition (Mr. Peterson), of the Ontario Liberal Community Party.

Mr. McClellan: Mandatory controls?

The Acting Speaker: Order.

Mr. Bradley: That was Nelson Riis who said that, was it not? That was Nelson Riis. I have the clippings.

The Acting Speaker: Order.

Mr. Foulds: No, no. The letter is signed by the MPP for Windsor-Sandwich on September 8, 1982.

Just for a moment or two I want to indicate the member for Windsor-Sandwich was simply following the lead of his leader.

Mr. Rae: That is impossible. That is physically impossible.

Mr. Foulds: It is physically impossible, but mentally twisted though it is, it is mentally possible. On August 17, 1982, a statement issued by the then leader of the official opposition, and I believe in spite of his performance over the last

six months still the leader of the Liberal Party of Ontario, said in a statement: "Secondly, I believe no single sector can be singled out."

Mr. Bradley: He would not put Michael Cassidy in the second row.

Mr. Rae: Is that the community branch speaking up? Which branch is that? Is it the teachers' federation branch speaking up?

The Acting Speaker: Order.

Mr. McClellan: Line them all up against the wall.

The Acting Speaker: Order.

Mr. Foulds: "Equity demands that wage controls be implemented across all sectors."

Mr. Rae: Put them all on the rack.

Mr. Bradley: That is what Nelson Riis said.

Mr. Foulds: The real confusion of all that is simply that the Liberal Party of Ontario, the David Peterson Liberal Community Party or whatever, believes it is all right to be unjust as long as you are uniformly unjust.

It is okay to wear the jackboots as long as you put the boots to everybody. That was the position of the Liberal Party of Ontario then; goodness knows what its position is today. As I indicated, I was genuinely shocked to find that the leader of that party thought the matter of arbitration was to be considered as nothing.

Finally, after those two statements by leading spokesmen of the Liberal Party and the member for Huron-Middlesex (Mr. Riddell)—

Mr. Breagh: The member for Fleck.

Mr. Foulds:—the member for Fleck, who I believe is running for the leadership of the right wing of the David Peterson Liberal Community Party—just to clinch it, the member for London Centre (Mr. Peterson) after those statements, and I found this quite unbelievable, said, "We must promote a more enlightened labour-management relationship." Is that not just peachy? Impose wage controls on the workers in the public sector, no controls on profits, no controls on dividends, and, "We must promote a more enlightened labour-management relationship."

Mr. Swart: Do not forget, Jack wants to raise interest rates.

Mr. Foulds: As my colleague the member for Welland-Thorold has pointed out many times, the member for Huron-Middlesex also wants to raise interest rates.

In passing, I could not let the opportunity go by without putting those positions of the Ontario Liberal Party on the record.

Mr. Riddell: No one is taking you seriously. Not too many take you seriously, Jim. If the truth of the matter were known, I think your own colleagues can hardly stand your voice.

Mr. Mackenzie: Keep it up, Jim, we love it.

The Acting Speaker: Order.

Mr. Foulds: I think I am through about a third of my remarks.

The Acting Speaker: Were you planning on continuing the bulk of them at this point?

Mr. Riddell: Ninety-five per cent of it has been BS.

Mr. Mackenzie: What about the letter he was reading? Was that BS too?

Mr. Foulds: As a matter of fact, if somebody did call it BS, I was quoting directly. On a point of privilege, on behalf of the member for Windsor-Sandwich, his fellow colleagues in the Liberal Party have used unparliamentary language about his letter and they should withdraw. They have used it about their own leader's public statements of August 17. I do not know what they call that in the David Peterson Liberal Community Party of Ontario, but in the federal Tory party they call that a revolt. They call that an attack on the leadership. Maybe we are seeing the phenomenon—

Mr. Speaker: Does this have anything to do with the bill?

Mr. T. P. Reid: I thought the member started off by saying he was going to be serious.

Mr. Foulds: Who could be serious when dealing with the David Peterson Liberal Community Party of Ontario? Who could take those turkeys with two right wings seriously?

Mr. T. P. Reid: I thought we were dealing with Bill 111, Mr. Speaker.

Mr. Speaker: It is Bill 111 to which we are addressing our attention.

Mr. Rae: You missed it, Mr. Speaker. He has been right on target every time.

Mr. Foulds: I am just trying to give a little historical perspective about how this—

Interjections.

Mr. Speaker: Now back to Bill 111, please.

Mr. Foulds: I want to return directly to the Treasurer's justification, such as it was, for the inflation restraint program—I use that term loosely—as it was designed by the government last year and is continued this year.

On page 2 of his remarks he said: "The inflation restraint program contributed to the fight against inflation in three ways. First, the

program demonstrated leadership to the private sector. It signalled our commitment to lower wage settlements and reinforced the downward trend in private sector wage increases."

9:50 p.m.

What utter and complete nonsense. Leadership is being out in front. Leadership is not holding up one's finger to the wind, seeing which way the troops are going and following. Every statistical analysis I have seen indicated private sector wages had been decreasing dramatically in 1982 by the time they brought in the legislation simply because of the man-made depression the federal Liberal government had created, following Reaganomics and Thatcheronomics. Private sector wage settlements had been dramatically lower without this punitive legislation on the public sector by this government.

The Treasurer said, "Second, it," the inflation restraint program, "helped control the cost of government by limiting increases in public sector spending, increases that are ultimately passed on to taxpayers and consumers in the form of higher taxes, user fees and charges for government services."

I want to spend a few moments on that claim. Has this government never heard of negotiations? By saying it had to pass the legislation last year, the government is admitting that with its own managerial capabilities it could not control its own budgetary process, could not negotiate without having the extra hammer of legislation.

They are saying they not only lost control and gave up responsibility for managing the economy through any kind of normal budgetary process, but they gave up the responsibility of even managing their own fiscal accounts through the ordinary budgetary or negotiating process. They needed an authoritarian law to give them the extra power they needed.

They became the judge and jury, the referee, the arbitrator when they were one of the players in the game of negotiation between public sector workers and management. They were the management. Because as a government they did not have the skills or the guts to manage their own fiscal budget let alone the economy, they imposed that kind of legislation. They changed the rules of the game in midstream to make it easier for themselves.

Yet they did increase the taxation. What was it called, the social assistance support tax, the social assistance tax? They increased their fees. They did this so they would not have to pass on

higher taxes, user fees or charges for government services to the consumers and the taxpayers.

They did pass on higher taxes. They did pass on user fees. They did pass on charges for government services. They increased the Ontario health insurance plan fees. They instituted charges for pamphlets they used to give away free in the Ontario Government Bookstore. They did all kinds of things. In other words, they did not keep the promise of keeping down taxes or user fees.

"Third," the Treasurer said, "the program helped reduce government demands on capital markets, thereby easing the pressure on interest rates." I want to suggest to the Treasurer that one of the ways this government could ease up some capital for the markets in Ontario would be to ease up on its obsession with unnecessary megaprojects such as the North Darlington nuclear station.

If there could be \$12 billion available in the public and private markets for borrowing, think about the kind of investment that could take place in the manufacturing sector and in developing secondary and alternative industries in northern Ontario. Think of the kind of mortgage money that might become available for home construction. We could have 200,000 mortgages for \$50,000 homes from the capital that would be available if this government gave up its obsession with megaprojects such as the nuclear plant at Darlington.

I would suggest to the House that in terms of job creation, as well as in terms of the Treasurer's words "easing the pressure on interest rates by reducing government demands on capital markets," there would be more jobs available by investment in the construction industry for home and residential construction and there would be more jobs available in the manufacturing sector if we had that kind of investment.

I now want to turn specifically to some of the concerns we have about Bill 111. I do not want to delay this debate unduly, but I do seriously want to put forward a number of the concerns that have been brought up in the last few days by arbitrators concerned with the arbitration process.

Let me for a moment just contrast Bill 179 and Bill 111 and lead in directly to what I want to say about arbitration. My understanding is that other members in my party will be dealing specifically with that item.

If the government members are worried about the length of my speech, they need not. I think I can happily contain my remarks within an hour and a half.

First, in general, Bill 179, the Inflation Restraint Act, 1982, which preceded Bill 111, imposed mandatory limits on compensation increases of up to nine per cent during the transitional year and five per cent during the control year. The control year was variable, depending upon the date the previous collective agreement expired. Thus, it commenced some time between October 1, 1982, and September 30, 1983, and will conclude some time between October 1, 1983, and September 30, 1984.

10 p.m.

Clause 13(b) of the predecessor of this bill, Bill 179, the Inflation Restraint Act, also purported to suspend collective bargaining on nonmonetary matters for the duration of the transitional and control periods, together with the right to strike in arbitration except in respect of first agreements.

This feature of the Inflation Restraint Act has recently been declared unconstitutional by a three-zip decision, a three-to-zero decision of the Ontario Supreme Court, as contrary to the Charter of Rights. An appeal has been launched by the Ontario government to the Ontario Court of Appeal, but frankly I think that is largely show.

Following the Ontario Supreme Court decision that limits on collective bargaining contained in the Inflation Restraint Act are, in part, unconstitutional, the Ontario government decided not to extend that act but instead introduced Bill 111.

However, the government is seeking indirectly to achieve the same goal of restraint by (1) limiting funding to public sector employers for wage increases to five per cent, (2) closely monitoring collective bargaining in the public sector to determine whether settlements or awards exceed the government's five per cent criterion, and (3) requiring arbitrators to take into account the employer's "ability to pay in the light of existing provincial fiscal policy" so as to ensure that this year's restraint program be reflected in arbitration.

One of the difficulties is that we have never had a statement of fiscal policy by this government. The other thing is the fiscal policy of the government can be a movable feast. What we have here is a dictatorship by press release, which is subsequently given the gazetting procedure every Saturday after the Treasurer has made one of his off-the-cuff or on-the-cuff statements.

Second, the bill constitutes a sharp departure from the tradition that arbitrators as adjudica-

tors of disputes between governmentally funded employers and their employees should be independent of government. As impartial third parties, arbitrators are not answerable to the government; yet under Bill 111 they are required to justify their awards in the light of "existing provincial fiscal policy."

In this respect, arbitrators are not free to cost their awards in the manner that is most fair and objective, but must use whatever methods are specified by the government, even though they may completely disagree with the assumptions upon which the government costing methods are based. To the extent that the independence of arbitrators is undermined, it is to be expected that the confidence of workers and their unions in the fairness of the arbitration process will be eroded. In such circumstances, it will become more difficult for the government to justify the removal of the right to strike.

During the course of the debate, both my colleague the Labour critic for this party, I believe the member for Hamilton East (Mr. Mackenzie), and the leader of this party will elaborate on that item.

In his statement to the Legislature, the Ontario Treasurer said "this transitional year marks a move away from comprehensive controls and towards a more flexible approach to wage and price determination in the public sector." On the other hand, the Treasurer warned that "if there is no evidence of realism or responsibility, we will have learned that the problems in public sector pay determination are more fundamental and more deep-rooted than we now believe."

Unstated, but definitely implied in the strongest possible way, is what the government would do in such a contingency and whether any attempt directly to interfere with collective bargaining would be a violation of the Charter of Rights in the circumstances prevailing at that time.

I want to deal head on with this whole concept that the Treasurer is now instructing the arbitrators of this province that they must take into account the ability to pay. Does this not sound responsible? Does it not sound very plausible? Should the ability to pay not be taken into consideration?

I want to quote from a couple of decisions which I think could fairly consistently and fairly meaningfully counter that argument. First, Judge Anderson, in the Ryerson Polytechnical Institute decision, volume 4 of the Labour Arbitration Cases, page 9, said simply: "An arbitrator should not make decisions based on budgetary limitations and priorities set by the government.

Otherwise, he would not be completely independent, as he always must be."

Arbitrator H. D. Brown, in the same case, said: "While the ability to pay is a factor to be considered in many situations, it does not have the same force or effect in public institutions and is not a proper basis to restrict an arbitration, which must be made on objective facts."

Third, Commissioner D. L. Johnston, who conducted a commission of inquiry on behalf of this government in 1974 looking into the whole question of arbitration, said this: "In our view, government guidelines or ability to pay have no place as criteria for settling hospital compensation. Supporters of such criteria argue that as ability to pay is a factor in private sector bargaining, it is also relevant in the quasi-public sector. We consider the comparison invalid because the absence of product market forces of supply and demand in the public hospital sector and of the strike and lockout sanctions strip the ability-to-pay concept of any meaning it may have in the private sector."

I think perhaps the most concise and important statement of principle, from my layman's point of view, was that by arbitrator Owen Shime in the British Columbia railway arbitration decision of June 1, 1976. He said: "Public sector employees should not be required to subsidize the community by accepting substandard wages and working conditions. On balance the total community which requires the service should shoulder the financial loss and not expect the employees of the industry to bear an unfair burden by accepting wages and working conditions which are substandard. If a community needs and demands the public service, then the members of the community must bear the necessary costs to provide fair and equitable wages and not expect the employees to subsidize the service by accepting substandard wages."

I think this is an important principle which we should always have before us, particularly when we are considering this legislation.

Arbitrator Kenneth P. Swan in the Kingston General Hospital decision, June 12, 1979, said: "The decision as to whether a specific service should be offered in the public sector or not is essentially a political one, as is the provision of resources to pay for that service. Arbitrators have no part in that political process, but have a fundamentally different role to play, that of ensuring that the terms and conditions of employment in the public service are just and equitable."

Arbitrator M. Teplitsky in the Service Employees' International Union award, June 19,

1978—and I will only quote part of it—said: “However, these”—and “these” are public service employees—“cannot be expected to subsidize a higher level of care than we as a society can afford or are prepared to pay for by receiving less than appropriate wages.”

10:10 p.m.

In terms of government's responsibility, arbitrator Innes Christie in the University of Toronto decision, February 13, 1981, said: “Interest arbitrators in the Canadian public sector have not allowed governments as employers to hide behind their own skirts in their role as the source of funds.”

Basically, that is what this government is doing. It is hiding behind its own skirts to escape pay increases indicated by other criteria. The accepted view is that to allow government underfunding to justify the payment of substandard wages is to ask public sector employees to subsidize the rest of the community.

Finally, I think it is fair to say that arbitrators have justly, time and time again, sought the ideal of comparability as the chief criterion to be applied, and it has been applied by virtually all arbitrators as the most important criterion in the determination of public sector wages.

Other speakers in this party will deal more fully with the question of arbitration, and particularly with what I thought were the very courageous remarks made last evening by Mr. Teplitsky to the Ontario Labor Law Association. I will not go into those in detail this evening. I simply want to conclude this way.

Mr. T. P. Reid: Any way you conclude is fine.

Mr. Foulds: I think I have five or 10 minutes in conclusion. I want to say Bill 111 is not an economic program. It is not even part of an economic program. It has nothing to do with economic recovery. Bill 111 is an arbitrary and punitive reaction by a government without direction. Ontario is in the midst of an economic crisis previously unknown in this province. Our resource sector is in disarray, our manufacturing sector is limping and our public sector is squeezed.

Hundreds of thousands of people—almost half a million people in this province—are without jobs. A generation of youth is without opportunities. Yet all the government can do is resort to another conjuring trick, making a mountain out of a molehill in order to hide the real problems the province faces. In the last few months this government has gone chasing a

rainbow by giving far too much credence to the small signs of economic recovery.

At the present time more than 160,000 men and women in Ontario have been unemployed for seven months or more and 95,000 of them have been unemployed for more than a year. That is simply not acceptable. Further, the average length of unemployment for those workers aged 45 and over has increased from the start of this recession from 19.2 weeks in 1981 to 28.4 weeks in 1983. That is a dramatic and unacceptable increase.

To those people who are unemployed, the claims by the Treasurer of an economic recovery ring hollow. The Treasurer is aware of the changing economic world. He knows the General Agreement on Tariffs and Trade reductions have fundamentally changed the economics of branch plant production in Canada.

The Treasurer knows the rise of the newly industrialized countries of Latin America and the Pacific Rim, the maturing world markets for steel, autos, airplanes, traditional consumer electronics and so on, as well as the rise of low-wage enclaves both in the Sunshine Belt of the United States and in free trade zones throughout the world, represent a direct and tangible threat to Ontario's workers.

The Treasurer should also be aware of the confidential report, entitled the Rocky Road to 1990, that was prepared by the Ministry of State for Economic Development and subsequently leaked to the press. That report states, “It is now becoming increasingly apparent that many of the jobs that have been lost will not be recovered when the overall economy recovers.”

The report goes on to say, “The impact of structural change is likely to be felt most in southwestern Ontario.” Yet we have nothing from this Treasurer to deal with the fundamental problem of creating jobs in the industrial heartland of this province.

The report makes the point that the extent of structural change will be substantial. It concludes: “One quarter to one half of the 1981 jobs in manufacturing could be lost by 1991. Also, up to a quarter of existing jobs in business and financial services could be lost.”

Even if we conclude that those figures are a worst-case scenario, the point remains that job loss, layoffs, long-term unemployment and plant closings have become a permanent feature of Ontario's economy in the late 1970s and early 1980s. That has happened under the management of the Progressive Conservative Party of Ontario and under the management of the

member for Brampton (Mr. Davis) as Premier, and it is some record and some inheritance to leave to the people of Ontario.

This is the situation that confronts Ontario. It is precisely the situation that the Treasurer has ignored and his predecessor ignored. Instead, the Treasurer with this bill shifts the responsibility of the provincial government to municipal governments, school boards and agencies at the local level.

The Deputy Speaker: Could the member for Fort William (Mr. Hennessy) hold his comments down?

Mr. Hennessy: It is not my fault. He is giving me an argument.

Mr. Foulds: Is he giving the member for Fort William an argument? The member should fight back. Come on, the member for Fort William knows how to do that. He should take him out in the hallway.

The Deputy Speaker: The member for Port Arthur will continue.

Mr. Foulds: Not only has it shifted its responsibility to the local level, but this government has also shifted its fiscal problems and the burden of carrying the provincial government services on to the shoulders of the workers and particularly the workers in the public sector of this province. I do not care how much lipservice this Treasurer, this Premier and the Treasurer's predecessor give to the public service of this province; this Conservative government has kicked the public service of this province in the teeth in the past two years.

This bill and the Treasurer's statement are a totally inadequate response to the people of Ontario. The government had the opportunity to implement an economic program in the last budget, but instead it imposed hardship on Ontario families.

Mr. Speaker, recall the \$60-million increase in the Ontario health insurance plan; recall that in the past three years OHIP premiums increased by 42 per cent; recall the new tax imposed in the last budget, the so-called social services maintenance tax, which will take \$340 million out of the pockets of Ontario families; recall the increase in personal income tax in the two years preceding the introduction of the new maintenance tax; recall how little was done to stimulate the economy, and recall what little was done to create jobs in this province. Recall too that since the last election, this government has increased personal income taxes by about \$600

to \$700 a year, and remember what little the Conservative government of Ontario has given back to the people of Ontario for those increased taxes.

10:20 p.m.

The Treasurer has said he is committed to a recovery built on investment, but the fact is that despite the grants, the tax giveaways, the federal budget and the last provincial budget, an investment-led recovery is not yet on the cards. What little recovery we have had is due to consumer spending, not to investment spending. That recognition should lead to particular programs on the part of the government and it should cause the Treasurer to review the previous budget and make the necessary changes. It should cause the government to abandon its Bonzo Reaganomics in favour of a coherent set of economic initiatives.

Last spring this party released a job creation package entitled Ontario Can Work. We believe that with every fibre of our being: Ontario can work and it wants to work. This fall the government and this Treasurer had the opportunity to bring in a mini-budget that would put some of those programs in place.

I want to suggest that before the winter sets in the government should take the following five steps.

1. It should announce the abandonment of its social services maintenance tax and return those moneys to Ontario's consumers.

2. It should enrich its own capital spending program.

3. It should implement the comprehensive energy conservation program that was announced as far back as 1980 as an energy policy for the province by the then Minister of Energy.

4. It should announce a housing construction program, particularly in the family public sector of housing for which there is a crying need and waiting lists that are simply unconscionable in every major community of this province.

5. Before this House rises, this government and this Treasurer should announce a winter works program through municipal government so that municipal governments can take off the shelves throughout the regions of this province programs they have had to shelve because of the restraint of spending by this government.

Those projects are worthwhile projects that cover everything from educational institutions and day care centres to hard programs such as municipal water works and filtration plants.

In short, there is a long list of opportunities, but what this government has done is to miss those opportunities. Instead, it continues to bash workers, it continues to scapegoat the victims to cover up its own desperate failures, its own abdication of responsibility and its own abdication of leadership.

The Deputy Speaker: We thank the member

for his remarks. The member for Essex North.

Mr. Ruston: Mr. Speaker, in view of the hour, I wish to move the adjournment of the debate. There are only five minutes left; it is hardly worth while starting.

On motion by Mr. Ruston, the debate was adjourned.

The House adjourned at 10:25 p.m.

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Hansard

Official Report of Debates

Legislative Assembly of Ontario

Third Session, 32nd Parliament

Friday, November 18, 1983

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

Friday, November 18, 1983

The House met at 10 a.m.

Prayers.

Mr. Speaker: Oral questions.

Mr. Peterson: To whom do we direct questions, Mr. Speaker? Maybe you will want to adjourn the House for 10 minutes until the ministers show up. How can we possibly function like this?

Mr. Speaker: The acting Minister of Health has the answer to a previously asked question.

Hon. Mr. Wells: Mr. Speaker, the member for Hamilton Centre (Ms. Copps) asked a question the other day about a situation—

Mr. Nixon: On a point of order, Mr. Speaker, just before the minister proceeds: I think you are aware it is the custom of a representative of the ministry to inform the two opposition parties of the ministers who will not be able to attend question period. We appreciate that information. This morning the list is, "Davis, Brandt, Drea, Miller, Norton, Pope, Sterling"—about standard.

However, it seems to me if there is going to be such a large degree of absenteeism that we cannot carry on with our business, the government House leader (Mr. Wells) and his colleagues are going to have to improve their act. I can see a few empty seats on all sides, but why can we not come to grips with the thing? If the ministers are not going to be here, why do they not tell us and we can make other arrangements?

An hon. member: We could sit on Wednesdays.

Mr. Nixon: Sure, we could sit on Wednesdays instead of Fridays, if that would be more convenient for the cabinet.

Mr. Speaker: That is an interesting point, but it is really beyond my jurisdiction, as you are aware.

Hon. Mr. Wells: Mr. Speaker, my friend is quite right. The members of the executive council who will not be here are as we have given him. The others will be here momentarily.

Mr. Nixon: Are they just having coffee?

Hon. Mr. Wells: No, they are not having coffee. They are on their way here and they will be here. There are eight or 10 here already.

Those who are here will be happy to answer any questions.

I am sure we would all unanimously agree to stand down the leader's questions for now and let the members have a chance.

An hon. member: There are 14 ministers here.

Hon. Mr. Wells: There are 14 here, I am told.

Mr. McClellan: Mr. Speaker, perhaps we could start again with 60 minutes and the government House leader could begin by responding with his answer.

Mr. Speaker: The time for convening the House is quite clearly indicated in the standing orders and I have no authority to alter that.

ORAL QUESTIONS

HOSPITAL PRACTICES

Hon. Mr. Wells: Mr. Speaker, if you like, I will go ahead with my answer. The member for Hamilton Centre (Ms. Copps) asked me a question about the situation at the Peterborough Civic Hospital and whether I had received any letters about it. We have received many letters about the issue in the situation that is going on there. We have heard from people who have been directly involved and from people in the community.

It should be indicated that the community of Peterborough is represented on the hospital's board of governors, and it is the board, with the advice of the medical advisory committee, that sets policy and procedures for medical care within the hospital. The ministry's role is technically an advisory one in these instances.

It also should be said, since the dispute centres on approaches in the obstetrical unit, that the Ministry of Health supports the family-centred approach to childbirth. This includes a period of time when mother and newborn infant can remain together to encourage what is known as bonding. Many hospitals in this province provide for this today in their recovery rooms.

This is a guideline from the ministry, however, and each hospital board of governors sets its own policy. It has the obligation to be sensitive to the legitimate needs of the local

community represented on the board. It also has to take into account the physical facilities available in the institution and the advice from its medical advisory board as to safe medical practices in the hospital.

I would like to tell the honourable members that earlier this week I met with the member for Peterborough (Mr. Turner), the government appointee on the hospital board and senior officials in the ministry to discuss what is happening in that city and that hospital. Officials of the ministry are following up now on the information we gathered at that meeting, and it is my intention to meet with the chairman of the hospital board to talk further about this situation, probably next week. If there is anything new to report, I will be happy to report it to the House.

Mr. Cooke: Mr. Speaker, since the minister started by talking about the local autonomy of hospital boards, I would like to ask him whether the ministry is prepared to intervene to guarantee that the mother has the opportunity to do the choosing of what is best for her and her child, rather than a hospital board that does not seem to be following the patient's rights and demands? Is he prepared to intervene to make sure that those needs and rights of the mother are protected and not just the desires of the hospital board, which is not a particularly representative board in this case?

Hon. Mr. Wells: Mr. Speaker, I am not prepared to agree that it is not necessarily a representative board. Hospital boards are supposed to represent the community in which they are located and are to bring to bear on the administration of the hospital and the rules that govern the hospital those things the local community wants.

We set guidelines and I emphasize, as I have already said in my answer, that we believe in the bonding program, which has been in some dispute there. There may be some other things the medical advisory committee and the hospital had to take into account that did not allow the full operation of that program in that hospital. I want to have a talk with the chairman of the board before I answer with certainty one way or another the question put by the honourable member.

YOUTH EMPLOYMENT

Mr. Peterson: Mr. Speaker, my question to the Treasurer concerns the funding for the Ontario career action program. The Treasurer will recall that we had a discussion of this issue

in the House on October 27, 1983. I brought to his attention that a number of colleges had already exhausted their OCAP allocations for this year.

I suggested to the Treasurer at that time that an additional \$7 million to \$10 million would be necessary to the end of the fiscal year to make up some of the commitments and indeed the potential to employ our young people. He assured us then, and I will remind him of what he said: "None of these programs will suffer in terms of lack of money. If more funding is required for youth employment programs, it will be made available under our current program."

10:10 a.m.

Since then we have found out that 18 of the 22 community colleges in this province have exhausted their OCAP funds. None of them, other than four, has sufficient funds remaining to see it through to the end of the year. There are many examples. Northern College, near Timmins, can accommodate only 10 placements and they will be used up by next week. At Centennial College, 20 to 24 placements will be gone by the end of this month.

The minister received a request from the Minister of Colleges and Universities (Miss Stephenson) to inject immediately another \$7.5 million into that program so it can carry on. Will the minister come forward with those allocations, not next year but immediately, to meet the burgeoning demand so we can employ our young people?

Hon. Mr. Grossman: Mr. Speaker, we have been discussing this continually with the youth secretariat and with my colleague the Minister of Colleges and Universities. The Leader of the Opposition's suggestion that we are in receipt of an urgent request to inject \$7 million into it is not accurate. What has occurred is that we are all trying to analyse the success of our very good new program, the young Ontario career program, which is funded with \$30 million, not \$7 million, and is expected to provide 55,000 jobs which would appear to be in the same category as many of the OCAP jobs.

This program just started up in September, and the uptake seems to be as good as we thought it might be. Therefore, we are watching carefully to see whether potential OCAP enrollees are being picked up under this new program. In the event that they are not and there seems to be a need to continue the funding for OCAP,

that will be done in sufficient time so that no one loses his spot.

Mr. Peterson: I want to remind the Treasurer that we have a crisis. As he knows, Mohawk College in Hamilton requested funds for a supplementary 200 placements, but the longer the minister delays, the longer it delays. Employers lose interest and it will have to readvertise and create new interest. Now it can place only 50, where it could have placed 200 a month or two ago.

What we are finding is that because of the lack of commitment, the various colleges are put under a great deal of pressure. We have 4,000 fewer young people working in this province now than we had a month or two ago and the hard-core problem is still with us.

The minister speaks about his multipronged attack on youth unemployment in this program. The infrastructure is in place. The colleges can absorb it. They are screaming for money—18 out of 22 need the money—and can find jobs for young people. Surely the first line of offence against this serious problem in our society is to put some supplementary funds into that program now, not in January and not in February, so we can move immediately. Why would the minister not at least consider that immediately rather than waiting until March, April, May or June when the problem will be worse?

Hon. Mr. Grossman: I did not say we were going to wait until March, April, May or June. All I said was that not only are many of these young people enrolling in our new program but also it would seem to me to be a more appropriate program for many of these young people. For example, under OCAP I think they get 80 training days. Under the young Ontario career program we provide 26 weeks of employment, a significantly longer period of time and an important period of time. That is why we shifted the kind of funding we have, \$30 million, into this new program to try to deal with the longer-term employment needs and to build up some experience for these people so they can go on to permanent jobs.

Many of the people who otherwise would be going into OCAP will find they are better served by this new program. To the extent that this may not be the case, we will enrich OCAP or any of the other programs we have had, which this year have provided 100,000 jobs for our young people, to make sure that as many programs as are needed are in place.

All I am saying is that it could be we will discover the new program, which is funded with

\$30 million and provides 26 weeks of employment, may be the more appropriate place for these people and therefore we are funding that program. If it is not, and there are still some more that have to go into OCAP and properly should be in OCAP, then the funds will be allocated to OCAP. That will be done at an early enough stage so we are not caught in a bind for the first three months of next year.

Mr. Peterson: The evidence is everywhere that in spite of these programs, which we support, we still have a crisis on our hands in terms of youth unemployment. Even the programs we are talking about attack only one sector of the market. One of the very disturbing things is that a study shows that less than 37 per cent of the educationally disadvantaged and 24 per cent of the language disadvantaged are being taken up in these kinds of programs. In fact, we still have that hard core of youth unemployment; less than 10 per cent are actually participating in programs such as OCAP.

Is the minister prepared now to address his mind and the abilities of his ministry to the problems of the hard-core, chronically unemployed young people who are a very high percentage of the people who are going to be with us for a long time on the unemployment rolls unless those problems are addressed? Is he now looking at new programs that will attack the serious problem at a different level?

Hon. Mr. Grossman: Yes.

ORGANIZED CRIME

Mr. Peterson: Mr. Speaker, I will ask a question of the Solicitor General. The Solicitor General is no doubt aware, as everyone else in this province is, of the recent new interest in the question of organized crime as a result of the well-reported death of Mr. Volpe and the funeral yesterday. It has given rise to a number of concerns in our province about the extent and nature of organized crime here and exactly what the Solicitor General and his ministry and the police forces are doing about it.

Would the minister be so good as to bring this House up to date on his investigations, tell us what he is doing and answer the question as to whether there is an increase in organized crime in this province at this time?

Hon. G. W. Taylor: Mr. Speaker, I would be delighted to bring the House up to date on the state of the investigations, as the Leader of the Opposition has asked. However, I have some reluctance to offer that information in that one

would have to come completely to the conclusion that if I were to offer up the information as to the state of the investigations, those whom we might be investigating would then be informed of the status of what we are doing. I would think that would not be a very good position to take in trying to discharge the duties of investigating criminal activities, organized or unorganized.

Mr. Peterson: Does the Solicitor General have a joint task force with the Royal Canadian Mounted Police and the municipal police forces attacking this problem? Are the allegations correct that this was a gangland murder perpetrated by people from outside our province? What is he doing to investigate that and what is he doing to make sure that we are counterbalancing this perceived increase in organized, gangland-style murders in this province?

Hon. G. W. Taylor: Whether it is perceived or not, there appears as a result of a recent death to be some general interest by the news media in the particular subject, and rightly so. But I can assure the Leader of the Opposition that police forces of this province do co-operate in their investigations, from the local municipal police forces to the Ontario Provincial Police and the RCMP, and that from time to time they conduct joint investigations on different activities, be they of an organized nature by those known people who are participating in it or otherwise.

I can assure the member and this House that I have no intention of divulging, nor would it serve any purpose of this House for me to divulge, the nature and exact content and work of each and every investigation at this time.

I can assure the House that the police are combating crime in this province and are looking into any situation where there is organized crime taking place. They are doing a highly sophisticated job at what they are doing.

10:20 a.m.

From time to time, as the member surely knows, charges are laid as a result of investigations and often there are convictions as a result of those charges. So there is a definite combating and fighting, if one wants to use those words, of organized crime in this province. I can assure members that the police are not ignoring criminal activities wherever they are being conducted.

Mr. Rae: Mr. Speaker, can the Solicitor General at least tell us whether he has reached any conclusions as to whether Mr. Volpe's murder in particular was as a result of organized crime? Can he indicate whether he has reached

that preliminary conclusion in the course of his investigations?

Hon. G. W. Taylor: Mr. Speaker, the difficulty in answering that question is that there has been certain speculation in the media. It is being investigated as a murder, as any other murder is being investigated. As to the conclusion about the individuals responsible for that death, I cannot indicate that to the honourable member. There are certain people who are always suspect when police do an investigation. There are certain individuals they direct themselves towards, investigate and have speculation about.

But I cannot inform the member as to the direction of those investigations other than what he has seen as speculation in the news media, primarily because when one divulges more than that which is in the news media it then becomes very difficult for the police to conduct and complete their investigations in the way they want. Sometimes even the speculation that takes place produces some difficulty for them.

It is not a matter of not wanting to inform this House; I think the member would understand that when one makes too much information available it makes the investigation that much more difficult.

Mr. T. P. Reid: Mr. Speaker, a number of people in Ontario think organized crime is the Liquor Control Board of Ontario, but we will not go into that.

A few years ago I asked the then Attorney General whether the police forces were keeping track of the conviction record of people who were identified as being involved in organized crime as opposed to being, shall we say, individual entrepreneurs. Presumably, since those days seven or eight years ago, police forces have become more sophisticated. Have they kept track of those people who are convicted of being involved in crimes related to organized crime?

Second, can the Solicitor General indicate to the House whether there has been an expansion in the province of the activities of people related to organized crime?

Hon. G. W. Taylor: Yes, Mr. Speaker, I can inform the honourable member there is a very highly sophisticated group of individuals who are taken from all the police forces in Ontario, the Criminal Intelligence Service Ontario, and the Royal Canadian Mounted Police. It is a joint force operation, if one wants to use such a label, and its members are usually taken from the

criminal investigation branch of each of the individual police forces, being the Ontario Provincial Police, the large metropolitan police forces and the other police forces throughout Ontario.

They meet to exchange and catalogue information; so there is a highly sophisticated organization within the police forces that is surveilling and investigating organized crime. They are carrying out this function using the most modern of electronic equipment, being computers, etc., for cataloguing.

I do not think that is unknown to the member. Indeed, as I recall, I think the member reviewed some of that when we were in the standing committee on public accounts and learned first hand about the amount of information available and how the investigations were conducted.

CLOSURE OF HOMES FOR DEVELOPMENTALLY HANDICAPPED

Mr. R. F. Johnston: Mr. Speaker, my question is for the acting Minister of Community and Social Services and regards the closing of the St. Lawrence Regional Centre for the mentally retarded.

The minister and his ministry have gone to great lengths to assure us that the process has been handled well, by saying in a letter sent to me, "The programs and services of the remaining facilities are carefully reviewed to ensure the needs of the residents are met."

Is the minister aware—I presume he is—of a report done by the National Institute on Mental Retardation by Alan McWhorter, which attacks the whole process of the deinstitutionalization of that institution and says, among other things:

"There does not appear to have been any kind of plan for the development of replacement services to SLRC. In fact, the pattern of events seems to imply that most of the preparation time had gone by before it was determined which branch of the ministry would have administrative control . . .

"Decisions about where people would live after leaving SLRC appear to be made on an ad hoc basis. Repatriation to one's community of origin was assumed to be a major consideration by community service providers, but was often disregarded by ministry personnel in their decisions. It was common throughout the process for more than one provider to be planning for a given individual and not uncommon for such individuals to eventually be served by a provider who had not planned for him/her."

How does the minister explain this contradic-

tion between the smooth talk he has given us and this analysis which says that the preparation was inappropriate and that those people have not been served well by this deinstitutionalization?

Hon. Mr. McCaffrey: Mr. Speaker, I do not think this is smooth talk. On the surface there may appear to be a contradiction, because the ministry has made two commitments. The ministry's commitment to deinstitutionalization has been repeated any number of times and dealt with in detail by the Minister of Community and Social Services (Mr. Drea). Dates have been set for the closure of the six, one of which the member speaks about now.

The ultimate plans and the fact that there do not appear to be sufficient places to accommodate people in those institutions appear to raise the contradiction. But what members must try to remember is that throughout the piece the ministry has been saying that no institution will close until each of the residents and each of the parents of those residents is satisfied with the decision.

So there are those two commitments. Clearly then, if there has to be any give from the point of the ministry's commitments, the dates set have to be seen to be flexible to honour the other commitment which has been made, repeated and will be explored. If the member can provide me at any time with details, not a lot of details but just names of people whom we can undertake to follow up, nobody will be moved unless they and the family are satisfied with that choice.

Mr. R. F. Johnston: The minister well knows that this report essentially says he rushed things too fast and there was not proper consultation.

Let me give him two quotations. One is from the Dundas county association for the mentally retarded. It says:

"The key is to plan for the individual, but Mr. Drea ships them like cattle. 'You'd better jump on the bandwagon,' is what we were told. Our original intention was repatriation. It was only after we had submitted proposals that we were allowed to see 15 profiles from which we selected 12. Later we got the other three."

The Leeds-Grenville District Working Group basically says: "Square answers from MCSS are difficult to get. Different people are...telling us different kinds of things. In any case, the outcome was that the community felt no sense of ownership of the process."

Is it not true that the minister rushed this too fast, that the communities were not prepared to handle the people where he has placed them

and their suggestions were ignored by his ministry, as this report shows?

Hon. Mr. McCaffrey: We have to understand, taking the last point of the honourable member's observation, if there are people who would think we have moved too quickly because they, families or residents, are not satisfied with the accommodation, clearly there would be no rigidity from the point of view of the ministry.

With regard to the first part of the question, the use of the word "cattle" is clearly calculated. It is an inflammatory word. It does a monstrous disservice to the Minister of Community and Social Services.

Mr. R. F. Johnston: You have done a disservice and this report says it.

Mr. Speaker: Order.

10:30 a.m.

Hon. Mr. McCaffrey: Whoever used the word "cattle" did it purposely and it does a great disservice to every one of the ministers of this government, who have been solely preoccupied with honouring a commitment to get people into the community as quickly but as adequately as possible.

Mr. Riddell: Mr. Speaker, like a football player, the minister is being a little deceptive in his end run. He is not talking about world citizens. What is happening to these developmentally handicapped people who have no advocates and no families? Of all the developmentally handicapped people from the centres he is closing down, how many are going into other, in many cases larger, institutions?

Hon. Mr. McCaffrey: I do not have in front of me the sheet from which I quoted and from which the Minister of Community and Social Services has quoted extensively. The member has raised a question which is a recurring and important theme. Again, we see two ministry commitments: to move people from institutions into the community and, at the same time, that no other institution would increase in size as a result of the planned closures. There are some instances where people are moving from one of the six to an existing institution—

Ms. Copps: Larger institutions: it was your commitment that they would not move into larger institutions.

Hon. Mr. McCaffrey: No, no. This is not a shell game. It has everything to do with the number of inhabitants in that institution. The institution to which they may be moved is in the process of moving its residents into the commu-

nity as well. It would be, at the very least, a temporary alternative accommodation for them.

With regard to the first part of the member's question, I very much respect the member and what he says about the lack of advocates, but that member is an aggressive and articulate advocate for that group, as are other members, as is the Minister of Community and Social Services and, with respect, so am I. We will look into any matter on behalf of any individual that anybody can provide us with.

Mr. R. F. Johnston: I can only believe that the minister has not read this report. Is he aware that the report attacks the deinstitutionalization process? It says that people have been sent back to Rideau from the group homes for unnecessary reasons. Why is a for-profit home being used here although we were guaranteed there would be only nonprofit homes? We need a direct answer on that.

Why are people receiving care which is keeping them in their houses almost all the time, according to this report, rather than having access to community facilities? That is bad planning. That is not taking the interests of those people into account. That is moving people like cattle, sir, no matter how one wants to look at it.

Hon. Mr. McCaffrey: It remains an inflammatory and unconstructive expression to deal with a sensitive issue, as the government and the member are. It is being dealt with carefully and reasonably slowly. The commitment which has been made and supported by virtually every member of this Legislature is to move people out of institutions. That commitment is intact. The fact that dates had to be set to move people out makes eminent good sense. That communities have to move more quickly to handle that move of residents, again makes good sense.

I do not want to get into an ideological discussion about whether people can be better looked after in a profit-oriented or nonprofit-oriented facility. The member knows my views on that and I know his. We will comment on the other aspect of the report later.

SUBSIDIZED RENTAL HOUSING

Mr. McClellan: Mr. Speaker, I had a series of questions for the Minister of Municipal Affairs and Housing (Mr. Bennett) about Ontario's refusal to establish separate provincial housing supply programs for low-income people. However, since he has not bothered to come, I will ask the Treasurer, if I may. It is a policy question about Ontario's refusal to participate

in a separate housing supply program for low-income people.

My first question has to do with the latest annual report of the Ministry of Municipal Affairs and Housing. I wonder if the Treasurer would know the answer to my confusion and if he could clear it up.

On page 6 of the annual report it says that under the provincial assisted rental housing program, which is Ontario's only remaining separate program for low-income people, Ontario developed 14 units for low-income families in 1982-83. Then on page 12 of the report, under the statistics for the Ontario Housing Corp., it says three tender calls were issued for 14 family housing units.

My confusion is this, are we talking about the same 14 housing units or was the grand total actually 28?

Hon. Mr. Grossman: Mr. Speaker, as the member well knows, to be fair, each and every year the ministry provides a great deal more subsidized assistance for those in need of housing at the low end of the income range. I know the member wants to confine it to either 14 or 28. Whether those figures are totally representative of all the assistance that has been provided through this government to that particular group of people or not, the member knows it is not either 14 or 28 but substantially in excess of that.

As I recall, in each and every year the number of people living in Ontario government subsidized housing one way or another is well in excess of 100,000. If we took all the total subsidies, through direct ownership by OHC and the government or subsidized in other accommodation, we would find the number of people being assisted in one way or another is something like 300,000.

Mr. McClellan: The minister knows as well as I do that Ontario went out of the housing supply business in 1978 and has been piggybacked on the federal programs ever since.

Mr. Speaker: Question, please.

Mr. McClellan: I want to ask the minister very specifically, since Ontario is piggybacked on to the federal nonprofit housing programs under subsection 56(1) of the National Housing Act and does not have its own separate programs any more, is he aware of the Canada Mortgage and Housing Corp. study that was referenced in the 20th annual review of the Economic Council of Canada, which I believe came out last month?

It shows that in Ontario, under the subsection 56(1) federal nonprofit housing program, only 20.6 per cent of the tenants in those buildings on which we have relied exclusively since 1978 are low-income households, whereas in Quebec the percentage is 56 per cent of tenants in subsection 56(1) housing.

Does the minister not understand that we are not building social housing in this province any more? Will he not agree at the very least to raise the current ceiling on the availability of geared-to-income units for subsection 56(1) housing to 50 per cent of the available units? It is 50 per cent for seniors. Why is it not 50 per cent for families too?

Hon. Mr. Grossman: With regard to the specific uses of the funding provided by the government to the Minister of Municipal Affairs and Housing, I want to make it clear that the ultimate distribution of those funds is very largely within the purview of his policy prerogatives.

In saying that, I think it is only fair to note this. The member wants to make some sort of issue out of the fact that a lot of the programs we have undertaken in the past few years are jointly with the federal government. I am quite comfortable with that. When we sit around in this assembly and talk about things such as the massive decline of support by the federal government for areas such as health and post-secondary education, at the same time it is only appropriate that we participate with the federal government in those all too rare areas where they have agreed to co-operate with us and provide some housing.

That does not mean when we joint-venture with the federal government, or piggyback, to use the member's word, on their programs in terms of accomplishing the goals, that we have withdrawn. Far from it. Nor does it mean when we joint-fund with the federal government that there remains an obligation for us to run a whole host of independent programs that we otherwise would have run in the absence of that funding. We joint-venture with them where appropriate. That is the only sensible way to operate these mechanisms. Otherwise, all we have is additive programs and we do not have any co-ordination or co-operation at all.

10:40 a.m.

On balance, when the member tries to picture the provincial contribution and the provincial analysis, he should be fair and acknowledge that the fact that it is being done in conjunction with

the federal government does not mean it is not being done by us. It certainly does not mean we have wavered in our commitment. Any analysis of the total number of subsidized units over the period of years the member set out would indicate that our support has increased, and increased fairly significantly.

Mr. McClellan: With respect, the Treasurer has not answered my basic question. Perhaps I asked too many subsidiary questions. Is the minister not aware that, as of the end of September 1983, there were 19,302 families on the OHC waiting list for accommodation? If he takes that fact together with the fact that only 20 per cent of the tenants in the federal nonprofit housing programs are low-income people, it makes a picture of a housing program which, quite frankly, does not make any sense.

I repeat my question. It is a matter of policy, not simply a matter of the discretionary power of the Minister of Municipal Affairs and Housing. It has to do with the priorities of this government. Why is it that nonprofit housing for senior citizens provides 50 per cent of the units on a rent-g geared-to-income basis, but nonprofit housing for families in Ontario does not? Why is it not 50 per cent for families as well?

Hon. Mr. Grossman: That is precisely the kind of policy question the Minister of Municipal Affairs and Housing must respond to, and appropriately. As the member will acknowledge—or rather he will not acknowledge—it is quite clear we have provided the funding. What the member is objecting to is a particular breakdown within the units that have been provided. I can tell him some of the history behind some of those decisions. Obviously, the desire to have a mixture of accommodation in many of those premises is part of it. There was a desire not simply to build buildings and provide accommodation only for people of subsidized or low-income areas.

Mr. McClellan: I agree that 20 per cent does not make any sense.

Hon. Mr. Grossman: I do not know whether the member did, but I certainly know his party joined us many years ago in speaking to the need to integrate more of this housing and not to build ghettos. Whether he feels the particular breakdown is appropriate or not, that is quite a fair question.

The Minister of Municipal Affairs and Housing has just dealt with some of those issues with the municipalities in terms of integrating some

of their lists and establishing priorities for those who have real need and also ensuring that some of the ratios are raised from, I think it was 40 per cent, up higher than that.

Mr. McClellan: The minister is wrong. It was from 25 per cent to 35 per cent.

Hon. Mr. Grossman: No, I am not wrong. The minister is moving his policies in that direction. How far he ought to go, of course, is a very delicate decision for him to make without going back to the old policy.

Mr. Speaker: Thank you. I think the minister has answered the question.

CLOSURE OF HOMES FOR DEVELOPMENTALLY HANDICAPPED

Mr. Riddell: Mr. Speaker, I have a question for the acting Minister of Community and Social Services. Today the death knell was to have sounded over the Bluewater Centre for the developmentally handicapped located in the Goderich area, the door closed forever on this ideal home and training centre for the developmentally handicapped and on the love and attention of a caring staff. The minister is no doubt aware, however, that the closing date of the Bluewater Centre for the developmentally handicapped has now been postponed until November 30 and, if necessary, it will stay open until December 16.

Having talked to the administration just yesterday, I understand the delay is due to mechanical difficulties. Does the minister really expect this House to believe that the late arrival of furniture for group homes caused this delay? Would it not be more correct to say that serious placement problems exist, resulting in 72 residents out of 150 being placed in other institutions, 58 of whom are going to Palmerston Midwestern Regional Centre, a larger institution than Bluewater Centre, which is rapidly increasing its numbers beyond the recommended maximum of 200 residents?

Hon. Mr. McCaffrey: Mr. Speaker, I think in a sense we were alluding to this general problem without the specifics earlier in the exchange. As I think was generally outlined earlier, my understanding is the postponement was to honour that other apparently contradictory commitment to make sure everybody was adequately placed. I am not aware of it, but I will check about any mechanical difficulties. Therefore, it would not surprise me if it had to do more with the accommodation of existing residents than

with any mechanical difficulties. I will check into that.

With regard to the numbers, 72 out of 150 and 58 to Palmerston, these are changing regularly. I can check on the accuracy of that. It is correct that some of those residents have been moved to other existing institutions. However, this does not mean Palmerston is in the process of becoming a larger institution of a permanent nature. The trend, which has been government policy for a decade, persists to move people out into the community.

Mr. Riddell: Now who is playing the shell game? Will the minister tell the House how many of the residents being placed, not only in Palmerston but in other larger centres across the province, are world citizens, those developmentally handicapped people who have no advocates, who have no parents, who have no family? Is moving the developmentally handicapped people into larger institutions not contrary to the government's stated policy of deinstitutionalization? Who are ministry people kidding anyway?

Hon. Mr. McCaffrey: It would be a reneging of government policy towards deinstitutionalization if residents were being moved to an existing institution for ever; that is right. However, that is not at all my understanding of what the commitment of the ministry or the government is. I think the residents have a number of advocates in this assembly, and the member is one of the more articulate and aggressive ones. With regard to how many are in Palmerston now, I will check on that.

Mr. R. F. Johnston: Mr. Speaker, I would like to ask the minister why, when we come in the House today with a series of questions on the processes which have been undergone at St. Lawrence Regional Centre, which are now being inflicted on Bluewater, the minister is not prepared with answers on the specific allegations.

Is there a problem of communication between this minister, and the Minister of Community and Social Services (Mr. Drea) and his office someplace or other while he is not coming into this House? Why are we not getting straight answers on the problems of this process and some honesty about the fact that his own ministry people know he has had trouble doing this? The process really needs to be reviewed. We are not getting deinstitutionalization. We are getting a shuttle service between institutions.

Hon. Mr. McCaffrey: Mr. Speaker, there is never any difficulty in communication with the

Minister of Community and Social Services and his ministry or between him and me. With regard to the questions which have come up, the member says, "Why do you not have specific answers?" I think I was pretty candid when I said I did not know exactly how many were in Palmerston, but I would check. We have gone through this exercise before and the numbers do change.

The general thrust of the government's initiatives in this area have been consistent. As to the commitment not to move ahead with today's date—in Bluewater, for example—if people have not been adequately looked after, the date has been changed. This does not surprise me. It would surprise me if we were not flexible in that regard.

EXTRA BILLING

Mr. Cooke: Mr. Speaker, I have a question for the acting Minister of Health. The minister has said several times in the Legislature that everyone is guaranteed equal accessibility to our health care system and that extra billing and opting out is not a problem.

I would like to bring another case to the minister's attention, that of Mr. and Mrs. Sikkes who live in Guelph. They are both retired, 69 years of age, live on their income of Canada pension plan and old age pension. Yet, when Mr. Sikkes had to go to see an urologist in Guelph and have surgery, the total extra bills were \$439.33 between the urologist and the anaesthetist.

I would like to ask the minister how he can stand up in this Legislature and say that people who are on low incomes or fixed incomes are guaranteed services at OHIP rates and that everyone in this province has equal accessibility to the health care system when this is happening all across the province.

10:50 a.m.

Hon. Mr. Wells: Mr. Speaker, I will answer in the same way I have answered several times on this particular matter. I will look into the case, find out all the facts concerning it and see if there is any cause for complaint. I just emphasize that we have taken a number of steps to ensure that accessibility will be available and that the attending physician will make known to the patient before the services are provided that he is going to charge above the scheme. I do not condone his doing it on the operating table or as the patient is being pushed into the operating room. I suspect the number of times that happens is infinitesimally small.

We have put into place the mechanisms to allow this to happen. In many of the cases that are brought to our attention, the person's inability to handle an extra charge or his desire to have an opted-in doctor has not been made known to that doctor at the time the patient approached him for treatment.

Mr. R. F. Johnston: Do they have to say, "I can't pay"?

Hon. Mr. Wells: No, but they have to say, "I would like a doctor who is opted into the plan."

Mr. T. P. Reid: The minister has it backwards.

Hon. Mr. Wells: I have not got it backwards; the member has it backwards. There are all kinds of mechanisms to provide for patients being able to find a doctor to offer that service, including the help of that doctor.

Interjections.

Mr. Cooke: I would be interested in hearing about all of these mechanisms. The minister is saying that people who are on low incomes have to go to their doctor and spill their financial woes on the doctor and let him decide whether he is going to give them charity medicine. That is something this party rejects.

Hon. Miss Stephenson: It is not charity.

Mr. Cooke: That is exactly what the minister is saying. I would like to ask him how these people in Guelph could possibly get the service at opted-in rates when the two urologists that are in Guelph are opted out and all the anesthesiologists are opted out. How does one get equal accessibility? How does one get opted-in rates when this is the case in Wellington county? Is the minister saying that people should go and beg for charity medicine in order to get it at opted-in rates?

Hon. Mr. Wells: I am not suggesting they should beg, but I am suggesting there is nothing wrong in their saying, "I would like a doctor who is opted into OHIP." I would suggest that if all the urologists in Guelph have opted out, they would probably say, "I will handle your particular situation and we will bill you at the OHIP rates."

Mr. R. F. Johnston: I cannot believe the minister is saying that.

Hon. Mr. Wells: Oh, come on now. The member says he cannot believe that, but that is what is happening all across this province. There are many many doctors who, as a matter of principle—and they have principles just as he has—do not want to operate within the plan. They certainly are not adverse to providing the

services at OHIP fee rates to a number of people.

Mr. Cooke: They have to get down on their knees and beg.

Hon. Mr. Wells: They do not have to get down on their knees and beg. All they have to do is say, "I want an opted-in doctor."

Ms. Copps: Mr. Speaker, the minister has to realize that in many communities, and particularly in more remote northern communities, the question of accessibility to an opted-in physician is not the question. The question is whether they have access to any kind of specialist or physician at all.

The acting minister will no doubt be aware that the former Minister of Health earlier this year brought in with great fanfare some regulations governing how doctors must inform patients about whether they are opted in or opted out. I wonder if the acting minister can make a report to this House on how many doctors have breached the regulations and whether there has been a single case of a report to the college on this particular issue which was brought in with such fanfare by the previous minister.

Hon. Mr. Wells: My information is that most of them are complying. I would suspect there is an infinitesimal number who are not complying.

Ms. Copps: Like none.

Hon. Mr. Wells: No, not none. The member has heard of a couple of cases. A couple of the cases that have been brought to our attention occurred before that regulation was brought in.

There are all kinds of concerns. The problem in this House is that everything has to be black and white. There are concerns of accessibility and universality which have always been accepted by this government and which are in effect in this province. There is also a real concern to keep this province in the forefront of medical research and medical treatment and to have doctors here in this province who will keep us in that world position. That is the kind of balance we have to deal with, but the members opposite do not worry about that.

Mr. Speaker: The acting Minister of Health has the answer to a previously asked question.

EXTENDICARE LTD.

Hon. Mr. Wells: Mr. Speaker, it may be a little lengthy response, but as I recall, my friend the leader of the third party expanded on it in his question. I would like to answer some questions about the Extendicare Ltd. contract with Queensway General Hospital because I have

reviewed it. I find the proposals were called by the hospital for a construction and management project on a 120-bed unit. They were to put this 120-bed unit on property adjacent to the hospital. They received a number of proposals and selected Extendicare.

The ministry's consultants were involved at this stage but strictly in an advisory capacity, and I want to emphasize that. The choice was made by Queensway. The hospital then entered into negotiations with Extendicare on a contract. The ministry was not involved in the negotiations, but it did review the contract to make sure that in its final form it met the terms of the agreement as originally approved as to operating costs and ensuring control over quality of patient care.

We were satisfied the contract met these conditions, and the ministry informed the hospital on April 15 that the contract had been approved. The initial capital costs of the project were to be met one third by the hospital and two thirds by Extendicare. The ministry will pay Queensway, which will, in turn, pay Extendicare, operating costs at a standard ward per diem rate of \$109.75 in 1983-84 dollar terms, increasing each year to cover increasing costs at the same rate of increase granted other chronic care facilities.

In addition to that, the hospital will get from the ministry and pass on to Extendicare a \$16 per bed per diem payment for amortization of capital costs for 19½ years. What this does is bring the total ministry liability for this facility to \$125.75 in 1983-84 dollar terms per bed per day. That is for operating costs and amortization of capital costs.

The Queensway rate of \$125.75 compares very favourably with other Metro chronic facilities. In many cases these cover only the daily operating costs, but it is important to remember that \$125.75 covers both operating costs and the amortization of the capital. As I looked over some of the other costs in Metropolitan Toronto, they range from \$134 to \$179 per day.

What I am saying is that in terms of what would have been needed if this had been built in the normal way, we would have had to provide \$8 million to \$10 million of capital money. It would not have been possible for that facility to proceed, and if it had proceeded—

Mr. McClellan: That is the way you built every hospital in the province until now.

Mr. Speaker: That is a very complete answer. Interjections.

Mr. Speaker: Order, please.

Mr. Rae: Mr. Speaker, I am delighted the minister has confirmed the facts as we put them to him with respect to the cost and that the reason the costs were being borne was that the province, the Ministry of Health, had refused to provide the capital costs which the hospital needed in order to provide for a chronic care facility.

I would like to point out to the minister that \$16 per day per bed for the amortization comes to \$685,000 a year for amortization, or more than \$13 million over the 19½-year period. I would like to ask the minister whether he can confirm the other fact I put to him, which is if that cost had been borne and the money borrowed by the province, it would have been at a substantially lower rate, at \$535,000, for the same period. If he cannot confirm it, can he tell us what is the equivalent interest rate that makes up the \$16 per day for amortization? What rate of interest is being paid to Extendicare to borrow money from it to allow the hospital to belong to the people of Ontario?

11 a.m.

Hon. Mr. Wells: I think the point my friend misses, and I did not get to make the point at the end of my first answer, is that to preserve the credit rating of this province and to keep—

Mr. McClellan: You borrowed money from Extendicare.

Mr. R. F. Johnston: Cut off Ontario Hydro.

Mr. Rae: You have to borrow.

Interjections.

Hon. Mr. Wells: I know the honourable member does not care about the credit rating or the financial status of this province, but the fact is that to preserve the credit rating of this province and to ensure we have an interest rate that reflects the triple-A rating of this province, certain financial measures must be undertaken.

Those financial measures and constraints concern the amount of capital money available. Therefore, there must be a prioritization and an allotment of capital money. In that allotment, Queensway would not have been able to get the capital money at the time it did. An arrangement was made to allow Queensway to build a good facility, to have it amortized—

Mr. Rae: You paid for it through the nose. They took you to the cleaners.

Hon. Mr. Wells: Nobody has been taken to the cleaners. What my friend has not answered and cannot answer is that the per diem, including amortization, is \$125.75 at Queensway and

\$179 at another facility in Metropolitan Toronto without any capital costs included. I think it is a good deal for the people of this province.

Mr. Speaker: The time for oral questions has expired.

Ms. Copps: Mr. Speaker, the minister had an extremely lengthy answer during which he was called to order and did not sit down. I have a supplementary on this important question, with the unanimous consent of the House.

Mr. Speaker: Do we have the unanimous consent of the House to place a supplementary?

I do not hear unanimous consent. Petitions.

Mr. McClellan: I gather the rule is it that is only allowed for Tories.

Interjections.

Mr. Speaker: Order. I will place the question again. Do we have unanimous consent?

Agreed to.

Ms. Copps: Mr. Speaker, I am sorry that in his lengthy answer to that question the acting minister did not have a chance to comment on the situation at Doctors' Hospital, which was also put in the same question.

However, I think the acting minister inadvertently misled the House when he led us to believe his ministry had an arm's-length relationship with Queensway General Hospital during the negotiations.

I will recall for the minister the issue I have raised on several occasions, that in contact with the administrator at Queensway General Hospital my staff was told: "I have been working on this deal for eight months. I am not about to blow it now. If you want to know anything, call Larry Grossman."

I am asking whether the minister inadvertently misled the House about who was making the deal on Queensway, because the deal that was being made on Queensway was being made by the minister and by his ministry through their own admission.

Mr. Speaker: Order. The question was, who is making the deal on Queensway?

Hon. Mr. Wells: Mr. Speaker, I am sure in his effort to be very helpful, when he used the term "Larry Grossman" he really meant, "Call the minister and the ministry," and the ministry and the minister had been working with them. The honourable member casts it in the light of some sinister deal being made. What was really being made was an arrangement for the good of the people of this area and the province.

Ms. Copps: You just said that Queensway was initiating—

Hon. Mr. Grossman: Boudria supports the Hawkesbury deal. He thinks it is terrific. Ask him.

Mr. Speaker: Order.

PETITION

INFLATION RESTRAINT LEGISLATION

Mr. Haggerty: Mr. Speaker, perhaps you should get mirrors so you can see members on both sides who are sitting close to the chair. Members often stand up in the House and are neglected, perhaps unintentionally.

I have a petition, signed by 10 petitioners from the general staff of the Port Colborne General Hospital, which reads:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned nurses, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith."

INTRODUCTION OF BILLS

WAGES AMENDMENT ACT

Hon. Mr. McMurtry moved, seconded by Hon. Mr. Grossman, first reading of Bill 124, An Act to amend the Wages Act.

Motion agreed to.

Hon. Mr. McMurtry: Mr. Speaker, the Wages Amendment Act, 1983, flows from my ministry's review of the enforcement of judgements as a result of the Ontario Law Reform Commission's report on the matter.

With the proposed creation of continuing garnishment in the new rules of civil procedure governing litigation in the Supreme Court and district courts, it is anticipated that garnishment will be a very attractive method for judgement creditors to enforce their judgements against debtors.

Accordingly, it was necessary to ensure that fair exemptions from garnishment be estab-

lished which would carefully balance the conflicting interests of the debtor and the creditor.

The act increases the portion of an employee's wages that is exempt from garnishment from 70 per cent to 80 per cent and establishes the wage exemption for employees who are maintenance debtors at 50 per cent. Both of these percentages can be varied by the court in appropriate circumstances.

The act also clarifies that the wage exemptions apply to net wages.

PUBLIC ADVOCATE ACT

Mr. Swart moved, seconded by Mr. Philip, first reading of Bill 125, An Act to provide for a Public Advocate in Ontario.

Motion agreed to.

Mr. Swart: Mr. Speaker, the purpose of the bill is to provide for a public advocate in Ontario, whose function is to represent the public interest in Ontario at rate hearings before tribunals and commissions.

The public advocate is also provided with the authority to intervene in hearings in which environmental matters are considered where, in the opinion of the public advocate, a broad general interest may be effected as the result of the hearing.

The bill provides for the public advocate to be appointed by the Lieutenant Governor in Council on the address of the Legislative Assembly of Ontario, and the public advocate is required to report annually on the affairs of his office to the Speaker.

The bill also provides authority for the Lieutenant Governor in Council to fix a levy, to be paid by corporations that make applications for a rate increase, for the purpose of paying the expenses incurred by the public advocate in carrying out his functions and his duties.

11:10 a.m.

ORDERS OF THE DAY

House in committee of supply.

ESTIMATES, MINISTRY OF NORTHERN AFFAIRS

(continued)

Mr. Van Horne: Mr. Chairman, on a point of order: I would like to clarify a statement I made on Monday of this week in these estimates. I indicated, as reported at page 3010 of Hansard, there was some kind of contest to designate the white pine as the province's official tree. When I checked back through the press releases, I

found that the Minister of Natural Resources (Mr. Pope) was the person who indicated in July 1983 that there would be some special legislation in 1984 to designate the white pine as Ontario's official tree. This will be done in concert with the Ontario bicentennial celebration.

The press release went on to say that there was a three-year consideration of 30 species by a special council. The question I should have put to the minister was, how much did it cost Ontario? How much did it cost the taxpayers for this special council to spend three years to find an official tree for the province?

Mr. Chairman: The minister will take note of that.

Mr. Stokes: Mr. Chairman, when we last discussed these estimates, on Monday afternoon, I was attempting to indicate to the minister and his staff under the gallery ways in which I felt this ministry could be more relevant in carrying out its mandate on behalf of the people in northern Ontario.

I am glad to see so many members in the House who are interested in the breadbasket of the north—of Ontario, really—in terms of our ability to provide resources to keep this industrial complex in southern Ontario going. I am happy to see so many people in the press gallery from what calls itself Canada's national newspaper, the newspaper that creates all the interest and covers all the events of interest to all the people in Ontario. I am happy to see so many people from the electronic media here who should be interested in what goes on in northern Ontario, five sixths of the province geographically.

It seems to me that whenever we discuss these estimates, we are for all practical purposes talking to ourselves. We are talking to the committed, to people such as the minister, the member for Algoma-Manitoulin (Mr. Lane) and the member for Brant-Oxford-Norfolk (Mr. Nixon), who on occasion thinks it would be a good idea for all members of the assembly to visit the north so they could get a much more accurate fix on what northern Ontario is all about.

We have not had a tour of the north by members of this assembly in an organized way since 1972, when we visited northeastern Ontario. The previous visit by an organized group from this assembly to northwestern Ontario was in 1968. I have tried to prevail upon the Minister of Northern Affairs (Mr. Bernier) and the Minister of Natural Resources to undertake the organization of such a trip, but because of austerity or a reluctance of those two ministers

to expose the north to these unwashed hordes from the south, for whatever reason, it has not happened.

In the time allotted to me, I will attempt to put on the record what I think the state of the art is in northern Ontario concerning the social, economic and cultural wellbeing of people living north of the French River, in the hope that by some process of osmosis the word will get out as to the real significance and importance of northern Ontario to the social and economic wellbeing of everybody in Ontario and Canada.

When we last met, on Monday, I was talking about the problems with air ambulance services and the wrongheadedness of the Ministry of Health in the way in which it established its priorities in the operation of air ambulance services. That is on the record. The minister is well aware of what I am talking about, and at the appropriate time he will be responding.

While I am discussing the field of health, I want to compliment the minister and the ministry for the part they have played in their recognition of the need for extended care facilities in so many communities in northern Ontario. Four or five of those facilities have been approved, certainly in principle. There are about 29 applications from communities in the north for an extension of that extended care, which is so badly needed.

However, as is the case with most programs, for reasons of constraint, for priorities that are set by this ministry in conjunction with other ministries, there are a good many areas that have to stand in line and wait their turn.

The member for Algoma-Manitoulin will know what I am speaking of. I want to refer to a press release that was issued on September 16, 1983, by the committee for health and residential care for senior citizens for Wawa and area, from which I quote:

11:20 a.m.

"The committee for health and residential care for senior citizens, Wawa and area, is alarmed that their area's chances for a long-term care facility may be in jeopardy.

"At their September meeting, committee members were informed that funding under the Ministry of Northern Affairs extended care capital assistance program for 10 to 13 extended care beds has not been approved at this time.

"The Honourable Leo Bernier, Minister of Northern Affairs, announced at Minaki Lodge on May 20, 1983, that Atikokan, Geraldton and Dryden, with Sioux Lookout to follow, would

join Smooth Rock Falls in receiving approval in principle to proceed.

"In answer to the committee's inquiry about the status of Wawa's application, Mr. Bernier's response of July 25, 1983, stated he recognized Wawa's need fully and would respond to its application just as soon as the opportunity presents itself. 'At present, however, I am unable to give the go-ahead, chiefly because of the set amounts of funds allocated to the program per year.'

"Mr. Bernier went on to say that he tried to deal immediately with the most urgent situations and that he was unable to say when other applications would be dealt with but that he hoped it would be no later than next spring.

"The Ministry of Northern Affairs extended care capital assistance program provides five sixths of the funding for small and remote northern Ontario communities to establish up to 20 extended care beds, according to proven need, associated with a hospital. Applications for approval are evaluated by both the Ministry of Northern Affairs and the Ministry of Health.

"The citizens' committee for health and residential care for senior citizens, which includes members from White River, Dubreuilville and Hawk Junction, has been working for several years towards the establishment of a long-term care facility for the aged and disabled population of the area served by Wawa.

"Committee members believe that older persons should not have to move far from their home community when they can no longer live independently.

"The committee has written to Mr. Bernier to express its disappointment at the geographic distribution of those communities whose applications were approved, and it is shocked that all of Algoma's applications, which were from Wawa, Blind River and Hornepayne, were excluded.

"We understand that nine to 11 applications for northern Ontario were submitted. Three very well documented applications from Algoma, endorsed by the district health council, were among these.

"Chairperson Gail Smith stated that the reason for the committee's concern was, 'The indefinite status of further funding for the program makes us alarmed that our community and indeed all of Algoma has failed to receive approval at this time.'

"Former reeve Joe Lynett, a committee member, said, 'It is very frustrating dealing with a government that continues to ignore our needs.

Wawa is and was prepared not only with the available land but with a fund started by council in 1980 and added to each year since so that it now represents a commitment of \$100,000. We certainly meet all the requirements of cost-sharing as well as proven need as endorsed by our local council, the Lady Dunn General Hospital and the Algoma District Health Council."

Hon. Mr. Bernier: Shall we give them Geraldton?

Mr. Stokes: Why do not give them Dryden or Sioux Lookout?

Gail Smith wrote to me, as she did to the minister and maybe even the member for Algoma-Manitoulin. She also wrote to the member for Algoma (Mr. Wildman). I promised her I would raise her concerns and the concerns of the people in the Wawa area and bring them to the minister's attention. The minister has already made a commitment that he hoped to be able to respond positively early in the next fiscal year. To use his words, he said "the spring."

I committed myself to raising it during the estimates. I have already done that. Perhaps the minister, when he is responding to my comments, can indicate for the benefit of those people in the Wawa area that he has taken their application seriously, he does recognize the need and they will be very high on his priority list for fiscal year 1983-84.

I would like to turn now to a resolution which was presented to the full cabinet by the joint chambers of commerce for northwestern Ontario on Wednesday of this week in the Ontario Room of the Macdonald Block. It was directed to the Ministry of Northern Affairs, concerning the Royal Commission on the Northern Environment. It stated:

"Whereas large sums of money have been expended on the Royal Commission on the Northern Environment, and whereas the commission's report is now several months overdue, and whereas extension after extension has been granted to the commission, therefore be it resolved that the Ministry of Northern Affairs instruct the royal commission to produce a final report by December 31, 1983, and that all further funding be provided only towards the production of the final report."

I was at that presentation but I had another commitment and could not stay long enough to hear how the minister responded to that resolution, so I sent a note over to him yesterday afternoon, asking him how he responded to the chamber of commerce resolution calling for

determination and reporting of the Royal Commission on the Northern Environment by December 31, 1983. The minister told me, "The Attorney General (Mr. McMurtry) advises me December 31, 1983, is the expected date of the report and that field offices are being closed."

I got a call this morning from someone who is doing a thesis on the activities of the Royal Commission on the Northern Environment since its inception under the direction of Justice Patrick Hartt in 1977. He retired after a year and it has been under the direction of Mr. Fahlgren since that time. I was advised just before I came into the House at 10 o'clock that in a direct question to staff on the royal commission as to whether or not they would be able to meet the deadline, they said, "No." They had requested another extension to some time in March 1984.

I see the minister shaking his head in utter disbelief and consternation. Those are my sentiments. I could not have said or done it better myself.

When is this ongoing and never-ending saga of the expenditure of dollars and consultation upon consultation going to end? It is by far the most expensive royal commission ever undertaken by any government in this province. They have expended well in excess of \$10 million to date and counting.

The only bit of information we have been able to get from them was an environmental impact study of the development at Detour Lake almost two years after this government had decided on what it had to do and what it was going to do to foster the kind of development that was entailed in developing that gold deposit in the community.

11:30 a.m.

I can recall last year, when we discussed this thing in these very estimates, we still did not have the report of the Royal Commission on the Northern Environment for Detour Lake. I said to the minister, "What are you going to do about all of the decisions which have been taken with regard to Detour Lake if the commission's environmental impact study suggests you are in error and you are wrong-headed in the way in which you set your priorities?" I can recall as though it were yesterday that the minister said, "If they come up with that kind of recommendation, we will just clearly have to tell them that they are wrong."

The minister's colleague the Minister of Natural Resources in June of this year, after 10 years of deliberation, came up with strategic land use guidelines for Ontario and a good many of the district land use plans for Ontario. They

have since been renamed guidelines rather than plans, with flexibility in their application being the order of the day.

All of this is happening, including the signing of forest management agreements, so we can get on with the business of treating our forestry resources as an agricultural crop rather than as a depleting natural resource which is treated in much the same way as a finite mineral deposit. All of these decisions have been taken in spite of the Royal Commission on the Northern Environment.

One wonders what kind of a report could possibly come as the result of an expenditure of \$10 million plus, when most of the things which were included within their terms of reference have already been acted upon to a large degree. They may be able to come along and cross some of the t's and dot some of the i's, and offer a few variations here or a few variations there.

However, the minister and anybody else who cares about the activities of the Royal Commission will recall that in the last interim report, the only thing I can recall of any significance in it was that the commission was having great difficulty in putting some focus and zeroing in on what it considered to be its terms of reference. They were having great difficulty with this.

I can recall reading it—although I do not have it in front of me and maybe the minister can correct me when he responds—and I can recall him saying that one of the reasons they were having difficulty putting a focus on what they saw as their overall responsibility was the fact they did not know the government's plan for economic development in the north. Therefore, they were not able to react to that sort of thing.

As I recall, when it was set up it was given the mandate to advise the government. Way back in 1977, six years ago, they were given a specific mandate to bring in recommendations as to how the government should be proceeding after having consultations ad nauseam with all of the people in northern Ontario who might have had something to say about the direction and the planning of social, economic and cultural activities in northern Ontario.

The minister has something now from the Associated Chambers of Commerce of Northwestern Ontario. He has something from the city of Thunder Bay, a resolution saying that the whole process has become irrelevant. He also has it from Grand Council Treaty 9, although the commission did receive some individual briefs from communities like Fort Hope and

Summer Beaver. But for all practical purposes that whole exercise has ceased to have any relevance. The dollars keep pouring out and people become more disillusioned.

It is my understanding that the minister was more responsible than any other for the appointment of Mr. Fahlgren when Justice Patrick Hartt resigned. What is the minister going to say to his cabinet colleagues, to all of the people living in the north? How is he going to justify the expenditure of that amount of money, first under the aegis of the Ministry of the Environment, now under the aegis of the Attorney General?

Events over the past six years have bypassed the royal commission. I would like the minister to confirm whether or not there will be an extension to March 31 so that commission can prepare its report? I will say no more on that subject.

The minister will know, more than most, the problems that are experienced by some communities in northern Ontario, that are continually knocking on his door and knocking on my door, concerning community access in northern Ontario and the problem of orphan roads. This morning I had placed on my desk a thesis submitted in partial fulfilment of the requirements for the Master of Arts degree at Wilfrid Laurier University, dated this year, prepared by a David A. Frentress. The minister or people in his staff will know of this young gentleman, who took on the responsibility of identifying the problems of access for communities like Biscotasing, Hillsport, Auden, Oba, and Pagwa River.

I commend the reading of that thesis to the Minister of Northern Affairs, to his colleague the Minister of Transportation and Communications (Mr. Snow) and to the Minister of Natural Resources. The community of Auden on the north line of the Canadian National seems to be all right for the time being because the Ministry of Natural Resources, according to this report, agrees to maintain the road from Highway 11 up to Auden past camp 40 of Abitibi, which is now closed. I can only assume that road will be maintained this winter by the Ministry of Natural Resources.

11:40 a.m.

The minister will know that one of his regional directors having responsibility for roads, along with counterparts in the Ministry of Transportation and Communications and the Ministry of Natural Resources, has come up with an interim solution to the maintenance of

the road leading off the industrial road between Caramat and Manitouwadge, which is now the responsibility of James River-Marathon Ltd. and its partner Pic River Forest Products. An accommodation has been made, an agreement has been signed for this winter for a contribution by CN, which has 12 employees in that community.

There are four other breadwinners who are working, or hope shortly to be working, with Pic River Forest Products. CN has made a financial contribution because it has to have road access to bring in supplies such as propane and fuel oil. Ontario Hydro needs access to bring in fuel oil to its diesel generators. Bell Canada has to have them and also CNCP Telecommunications. There has also been a commitment for a financial contribution by the residents.

I discussed this earlier this week with our colleague the Minister of Transportation and Communications. I pay tribute to him and his staff, as I do now to this minister and his staff for recognizing that there is a problem. I do it not only to say thank you on behalf of the people in Hillsport, but to remind him that this is going to be a continuing problem. I mentioned that this study investigated in great detail the problem of what he characterizes as orphan roads. It is quite a detailed investigation of the problems not only for Auden and Hillsport, but also for Biscotasing and Oba. It also mentions in passing Pagwa River.

I do it for a much more important reason, although I do not want to minimize the need for access for those communities mentioned in the survey. The minister will recall that on Wednesday there was another resolution submitted to cabinet by the chamber of commerce representatives from Manitouwadge. It stated they wanted the government, the Ministry of Transportation and Communications and the Ministry of Northern Affairs, to look at taking over that industrial road between Manitouwadge and Caramat, bringing it up to a secondary highway standard, in order not only to provide access for the people who are living along that corridor now but as a "road to resources" kind of facility.

We have the northern Ontario resources transportation committee, the access roads committee; we have what we all look at as the responsibility of this ministry to establish priorities for road construction and maintenance; and we also have this ministry's regional priorities budget for addressing specific problems, whether they be related to the serving of people or accessing new resources such as the govern-

ment has done at Detour Lake with the Marchington Lake road, the Ogoki road and the Bending Lake road.

I am wondering, and I ask this very specifically of this minister, whether his ministry, in conjunction with others, has ever sat down and taken a realistic look at the way in which we plan the road construction not only to serve people but to access resources and open up potential economic development, whether it be forestry related, mining related or tourism related.

The minister will know that tens of millions of dollars are spent every year by government, by industry and by municipalities, and there is never any overall co-ordination to ensure the taxpayers at a variety of levels that we are getting a good bang for our buck.

Let me give an example, and I have discussed this with some of the civil servants in the north. The Minister of Northern Affairs will know of the Kopka River crossing and the great hue and cry we had from tourist operators in the Armstrong area when they were not happy with the way in which merchantable timber was harvested and the manner in which those timber resources were accessed.

There were three crossings that would have met with the approval of the tourist operators in the area, but the Ministry of Natural Resources, in its wisdom, chose the one that would provoke the tourist operators to the greatest extent.

11:50 a.m.

I flew over the area this summer to find out what the tourist operators were beefing about. It just so happens that in the area that is most sensitive they had proceeded to such an extent that when an appeal was made to the Minister of the Environment (Mr. Brandt), he said: "I agree fully with the position taken by the tourist operators that they have not been well served in this whole process because in the way in which they built the roads they accessed wilderness lakes, if not by directly building the road along side the wilderness lake then by crossing the creek that, in turn, accessed these lakes that had tourist lodges or outpost camps." That does not have to happen if there is the proper co-ordination and consultation.

In a communication he sent to the Minister of Natural Resources several months ago in connection with strategic land use planning, which we now refer to as guidelines, this minister said flexibility should be the order of the day and we can make the multiple-use concept work if we play our cards right.

That sounds fine. I could subscribe to that,

but it does not happen. The minister himself knows many instances where shoreline allowances have been violated and road allowances have been violated in the cutting practices of the prime licence holders. I am sure the member for Rainy River (Mr. T. P. Reid) could spend from now until one o'clock giving the minister instances of the multiple-use concept. It sounds fine in principle. In theory, it sounds excellent, but for some strange reason it can never be translated in the way in which we co-ordinate land use for a variety of users in northern Ontario. I am sure the same thing could be said for people generally in the province.

I want to get back to what I was saying about the request by the chamber of commerce on Wednesday afternoon for that extension and the upgrading of that road to provide for access to resources, to provide yet another circle route for tourists. If it was a decent road, we would say: "We have a new experience here for you." We could say the same thing if we started a road from Nakina west generally paralleling the north line of the Canadian National, over Highway 599, the Marchington Lake road the minister busied himself about building—much to the consternation of the people of Savant Lake, I can say; the minister knows whereof I speak.

But that is progress. At that time, the minister, who represents Sioux Lookout, wanted a direct route from Sioux Lookout to Highway 599 because we have in the great riding of Lake Nipigon 1.5 billion tons of high grade iron ore that is under licence by way of mining claims and mining leases to Steep Rock Iron Mines, Algoma Steel and Canadian Pacific Enterprises. At the appropriate time—I do not know when that is going to be—when there is a further need for iron ore that will justify production at the level of four to five million tons a year, that deposit will be developed. It will be big in volume. In terms of expenditure, it will probably be the biggest mining undertaking ever in Ontario. There are 1.5 billion tons of iron ore.

I can readily understand why the Minister of Northern Affairs, who is the member for Kenora, Sioux Lookout and Hudson, would want to access that economic development in my riding to Sioux Lookout. I do not object to that particularly—I see Neil Stuart there chuckling under the gallery—but I think the minister should be looking at the way in which he authorizes dollars for access-road construction and maintenance, insisting that the millions of dollars spent by the private sector conform to some overall plan.

Look at a map of the Kopka area, of which I spoke, where we had all this controversy, and the areas licensed for wood harvesting. I invite Mr. Hobbs, Mr. Stuart and all those experts under the gallery to look at the dollars that have been spent by Great Lakes Forest Products in accessing its merchantable timber and to do the same thing for Domtar while they are at it. That area, where we have the greatest controversy, the lines where the licences come together, is where we spent, federally and provincially, more than \$2 million in a DREE subagreement. Those dollars did not come out of Domtar's pocket. A portion of them did, but the majority of them came out of the taxpayers' pockets.

There are three roads going to the same general area where, with the proper advance planning, I believe we could save dollars for the taxpayers and for those companies. They would be in a better position to compete in world markets if they had the good sense to talk to the government in advance of a commitment of dollars for the expenditure that is required on these roads to access these resources. They would be much more competitive.

12 noon

I have listened to spokesmen for these prime licence holders and they are anguished and wring their hands. They are saying, "Because of the high cost of harvesting wood in the north we are finding it more difficult every day to compete." They are all spending their dollars to gain access to the same general area. A former forester told me one day that about 15 per cent of all the productive forest areas in northern Ontario is taken up with roads which are not provincial highways.

This minister, who establishes the priorities for road construction in the north, should insist that before they commit a large expenditure of their own dollars or come crying to both the provincial and federal governments for assistance for road construction, they should have some rational planning. That one area I spoke of is a perfect example of where everybody is rushing into the same area, with the result that we have three roads rather than one.

Once they have harvested they let the road go into disuse. They go back for a little silviculture treatment or they may use it for fire prevention access from time to time, but there is no overall planning in the way in which we spend our road dollars. The minister and people from the north know how important it is to have multiple-use roads, whether they be for wood harvesting silviculture treatment, fire prevention, mining

exploration or to enhance the tourist industry. Everybody has a vested interest in the way in which we spend money for road access in the north. But at present there is no rhyme or reason to it. If this ministry assumed that kind of responsibility for overall planning, we would get a bigger bang for our tax dollars and the multiple-use concept could work much better than it is working at present.

The minister will know that Ken Greaves, who is the president of the Ontario Forest Industries Association, is not talking any more about the multiple-use concept. He seems to be talking now about sequential use. He says: "We have some merchantable timber, mature and overmature stands; so let us in, let us do our thing. After we are finished, we will not need it until the next rotation, which is anywhere from 80 to 100 years. So we will give it over to the tourist industry, the anglers, the hunters or anybody else who wants it." He seems to be talking about sequential use now, not multiple use.

The minister hears that and I know his reaction is just the same as mine. But unless somebody shows some leadership and takes some initiative, we are going to continue with this unplanned, laissez-faire attitude that private enterprise, in its own way, will be able to do it so much better. They are all doing it in their own sloppy, ineffective, inefficient manner. It is unwise use of our land base, unwise use of our dollars and does not even remotely resemble proper land use planning or the multiple-use concept. The minister has been there. He has been Minister of Natural Resources. He knows what I am talking about.

I think there is only one ministry that can bring some semblance of order to the way in which we plan road access. I am not going to give the minister specifics. I am not saying tomorrow morning he should start upgrading that road from Manitouwadge to Caramat or that as a job creation thing they should start with what has been called the Stokes Road between Nakina and Highway 599.

However, we should look at the dollars we have spent in one way or another on this patchwork of roads. If we took a map of northern Ontario that contained the King's highways, the secondary highways and all the resource roads, we would think we were looking at a plate of spaghetti. Yet we are not able to serve the legitimate needs of people who live in Hillsport, Auden, Oba or Biscotasing.

I heard a conversation between the member

for Algoma-Manitoulin, the member for Nickel Belt (Mr. Laughren) and the Minister of Transportation and Communications. There is no overall co-ordination or planning. We are spending a lot of money, but we still do not have proper access. I am not talking about those areas in the remote north where a road structure is probably unrealistic. But it seems to me this ministry should call in the major roadbuilders in the north and say, "We are going to sit down and have a rational plan," rather than just saying, "If you need dollars for roads, just come and see us; we'll give you money for the Marchington Lake Road, the Bending Lake Road, the Ogoki Road."

There is no overall planning at all. Everybody has his own road that accesses the same general area. There is one in the minister's riding; I am sure he is aware of it. It runs off Highway 599 in a westerly direction. It was originally built by Canadian National Railways to access Valora. The Ministry of Natural Resources tried to enter into an agreement with CN about the use of that road or the upgrading of the road or changing the configuration of the road. They could not reach an accommodation so the Ministry of Natural Resources built its own road alongside it. We have two roads going into Valora, one built and maintained by Canadian National Railways, the other built and maintained by the Ministry of Natural Resources. I get asked, "Why do we have two roads going into Valora?"

12:10 p.m.

Mr. T. P. Reid: Tell them how big Valora is.

Mr. Stokes: I do not know how big Valora is. Perhaps the member can tell me; it is in his riding.

Mr. T. P. Reid: It is not very big. There are two Tories there but they do not like each other so they each had to have a road.

Mr. Stokes: I just used that as an example. I think I have gone on long enough on that theme.

Hon. Miss Stephenson: Oh, indeed.

Mr. Stokes: The people opposite do not like to hear about the problems of the north. The Minister of Education (Miss Stephenson) and the Minister of Government Services (Mr. Ashe) say they do not want to hear any more about the north.

Hon. Miss Stephenson: That is not true.

Mr. Stokes: What did the minister say?

Hon. Miss Stephenson: All I said was we agree with you.

Mr. Stokes: The minister agreed that I had gone on long enough?

Hon. Miss Stephenson: Yes, that is all.

The Acting Chairman (Mr. Robinson): Order. Interjection.

Mr. Stokes: Here we have the member for Fort William (Mr. Hennessy), parliamentary assistant to the Minister of Northern Affairs, saying I have gone on too long; he does not want to hear any more about the problems in the north.

Interjection.

The Acting Chairman: Order.

Mr. Stokes: I think this is the purpose of estimates. We get an opportunity not only to understand ourselves what has gone on before, what we are doing now and whether we are making the best use of the dollars we are spending under the mandate of this ministry, but also, to use the minister's own words, to "offer some constructive suggestion for improving the way we do business in the north as it affects this ministry."

Notwithstanding the interjections of the Minister of Education, the Minister of Government Services and the parliamentary assistant, I am going to persevere and continue. I will not be dissuaded and I am not going to sit down. For those who want to know, I am going to talk until one o'clock, not only because I think I have something relevant to say but also because I am doing it as a personal favour to a very good friend.

Mr. Van Horne: Thank you, Jack.

The Acting Chairman: Order. Having said all that and having gone through the mechanics of it, perhaps we can proceed with the estimates.

Mr. Stokes: I want to get very briefly to the minister's favourite topic: Minaki Lodge.

Hon. Mr. Ashe: A great asset to the north.

Mr. Stokes: I am not going to go on at great length, because we had a very full airing of the merits, the demerits, the advantages and the disadvantages, the worthwhileness of Minaki Lodge in the estimates of the Ministry of Tourism and Recreation, but I know members would have been disappointed if I did not at least raise it. I am sure the minister likes publicity, whether it is good or bad. He just likes people to talk about Minaki Lodge; so I am going to talk about it very briefly.

Interjection.

Mr. Stokes: If the Minister of Education has not seen it she should not knock it.

Hon. Miss Stephenson: What? Minaki?

The Acting Chairman: Order.

Hon. Miss Stephenson: Oh, I'd love to—

Mr. Stokes: She would love to knock it?

Hon. Miss Stephenson: I have never been invited.

Mr. Stokes: I was invited and that is why I am raising it.

When we were discussing this item in the estimates with the appropriate minister he said they had about a 40 per cent occupancy when I was there. Mr. Fred Boyer, who is president of Minaki Lodge Resort Ltd., gave us the statistics and the occupancy rates were up slightly more than 60 per cent.

I want to say to anybody here who has not seen it that it is a beautiful place, it really is. However, if somebody had given me \$45 million and said, "Stokes, here's \$45 million; go out and do something for the north," I probably would have done something a lot different.

The minister says we did it to create jobs for the indigenous people in the area. I want to report to this assembly that there are 140 seasonal people there and only 16 permanent employees. At least 75 per cent of all the people who worked there during the summer did not even know where Minaki Lodge was until they went there for employment.

I made it my business to talk to people who were working there. A good many of them came from Manitoba; most of them came from Winnipeg. There were people from all over southern Ontario. All the people in management positions, who are employed by Radisson Hotels, which gets a fee for operating that facility, come from elsewhere.

It has not worked as a provider of employment for indigenous people. There are a variety of reasons for this. Mr. Boyer and the Minister of Tourism and Recreation (Mr. Baetz) assure me they are going to continue to try to prevail upon local people to upgrade skills so that ultimately they will be in a position to take over most of the jobs that are entailed in the operation of the lodge. I invite people to go up to see it.

Even though they tried for two years prior to the opening of the lodge they have not been able to train people in the skills that would be required to operate it. They have not been successful. All they could do was assure me they were going to continue to try.

I said they should lower the rates, because on the back of the door in the room I stayed in there was a sign that said: "This room is being rented at the maximum rate of \$105 a day single and \$145 a day double."

Interjection.

Mr. Stokes: Just a minute. I am getting to that. I am known to be fair; perhaps the member will just be patient.

Most people who go into an establishment, whether it be the Royal York Hotel, the Chelsea Inn or the Holiday Inn, look at the rates that are posted; and they are usually maximum rates. Then they make a comparison when they get the bill. This is what I did. It was \$105 single and \$145 double.

Now, I was in the unique position that I was not paying for the room. I do not know whether this ministry paid for it or whether it was the Ministry of Tourism and Recreation. All I know is I did not pay for the room.

Hon. Mr. Bernier: Freebies.

Mr. Hennessy: Now the truth comes out.

12:20 p.m.

Mr. Stokes: He does not pay for his either when he is invited by a minister. The member for Fort William can get off that kick, he with his holier than thou attitude. I know what freebies he gets. I know what I get and I am not ashamed of it.

Fred Boyer said he would have the general manager elaborate, so I am going to read it into the record.

"Dear Mr. Stokes:

"I am pleased to respond to your question following your stay with us on July 15 to celebrate our official opening. Our records indicate that you occupied room 224, which is a typical twin-bedded room. The rate on the back of the door was indeed \$105 for single occupancy. This rate includes \$75 room rate and \$30 for breakfast and dinner. The price of the same room for double occupancy would be \$150, or \$85 room rate plus \$60 for breakfast and dinner for two. I trust this information clarifies your question. However, I would be delighted to respond to any further inquiries in the future.

"Sincerely, Richard Boustead, General Manager."

I no longer have the receipt, but I went in for breakfast on the two mornings I was there. It was a beautiful breakfast. It was almost obscene. There was everything anybody could ever have wanted. There were mounds of croutons of every shape, size, flavour and description. There

was fruit. One would think one was in Hawaii because of the kinds of fruit. I went in and I had a small glass of orange juice, a crouton and three cups of coffee for \$8.35. I could have had everything.

Mr. T. P. Reid: You mean a croissant.

Mr. Stokes: A croissant; if I said "crouton" I was mistaken.

I went in for dinner, not knowing that all I had to do was sign. I ordered dinner. The basic entree was \$23. I had a drink and a little wine and I ended up paying \$37 for my dinner.

All I am saying is that if one lowers the price and there is 90 per cent occupancy, the average Joe on the street could afford to go. Lower the price a bit. There is no sense operating it at 50 to 60 per cent occupancy. I admit it is a beautiful place. One can play horseshoes and go swimming, surfing, sailing or fishing. One can play golf, tennis, cards, tiddly-winks, almost anything one wants to think about. But we are not going to get the average Joe off the street.

The thing that bothers me about it, Mr. Chairman, and you were in the chair at that committee, is that he said, "It is not geared for the ordinary Joe." Fred Boyer says: "This is a world-class resort, the gem of the north, and we are not catering to the ordinary Joe out on the street. We want a high-class clientele."

There are a good many people in my riding, from Pickle Lake, Manitouwadge, even from the city of Thunder Bay, who would really enjoy a weekend, a week or two weeks there if the price was brought down to what they could get in an ordinary run-of-the-mill place. They would get a world-class resort, a world-class holiday, at a price the ordinary Joe could afford. Philosophically, I disagree with my friend Fred Boyer. I found it especially offensive when he said: "No, we are not trying to attract the ordinary Joe. We have a world-class joint here and we want the upper crust to come." That rubs against the grain. Enough said about Minaki Lodge.

While the Minister of Education is still here, I want to get into something that has to do with—no, I will not give the punch line yet. I want to read a letter I wrote to the Minister of Northern Affairs on September 8, and he has still not responded. I mentioned another one in my opening comments. Perhaps his communications network has broken down a little bit.

I wrote to him on September 8 saying: "I understand the Ontario Trappers' Association is offering a multimedia kit, entitled The Beaver in Ontario, free of charge to schools that can prove the validity of its use. I am advised that

your ministry will underwrite the expense involved in this program and, therefore, you have the final authority in its use.

"Mr. Mark Olacke, principal of the Armstrong District Public School, has made a request for the above multimedia kit and I am writing to support his efforts. This school has a modified intermediate service program. Some of the students in this school, ranging from age 13 to 18, are involved in MISPP, the Modified Intermediate Services Program, which includes learning to run a trap line.

"This academic program in life skills has proven to be very successful for those students who participate, most of whom are native Canadians. Last year these students set traps on a regular basis. They were successful in trapping beaver, muskrat, marten, squirrel, and even trapped a wolf. The students learned to skin the animals and dry the pelts. As well, they learned how to cook the meat and serve it to their fellow students.

"This type of MISPP course could serve a very useful purpose in many northern and isolated schools in our province. I think you will agree this course is excellent and serves the needs of the youth in the community of Armstrong. Under the leadership of Mr. Olacke, this type of training has had impressive results. You will never have a better opportunity to give your approval to a more worthwhile endeavour. Your help and positive consideration is greatly appreciated."

I sent that to the minister on September 8 with a copy to Mr. Roger Betts, who is the co-ordinator of the Ontario Trappers' Association. I still have not had a reply. That is well over two months ago and I am now advised—

Hon. Mr. Ashe: You must have sent it Canada Post. That is the problem.

Mr. Stokes: I do not know. I made some inquiries as to whether the people in Armstrong had heard from the minister and they told me he was holding off making a decision, notwithstanding the results of this program and how important it was to the Ontario Trappers' Association. I am told the minister is thinking of making a bicentennial project out of it. Is that right?

12:30 p.m.

Hon. Miss Stephenson: Life skills is still in transition at the secondary level.

The Acting Chairman: Whose estimates are we on?

Mr. Stokes: I see where there is some consultation going on under the gallery. I think I have made the point. It is an excellent program. A program like this is much more relevant to native students. It gives them a feeling of doing something worth while based on indigenous resources. It has a lot more relevance than a lot of the things that are taught to our first citizens in the school setting. When the minister sees something working well, as it has at Armstrong, why does he not support it? Why does he not promote it to make a learning experience much more relevant to the children of our first citizens? I will leave that.

I want to get into another problem dealing with Armstrong. The minister will recall, and he will know, that we do not have a doctor permanently residing in the hamlet of Armstrong. We rely on McMaster University, I believe, and Dr. Bain of one of the hospitals here in Toronto. There is some co-ordination for a family physician to visit Armstrong for a brief period and to be relieved after two or three weeks' stay. It works very well.

The fact is, though, that we need a clinical setting that will enable the doctors to be much more effective and provide the kind of accommodation that both doctors and patients need for the provision of that kind of service.

Joy Neill, who was a part of the delegation that the minister hosted and met earlier this week, advises that after two years of negotiations between Dr. Copeman and others in the Ministry of Health they are still no closer to establishing a good clinic. They have a trailer there now—I do not want to create the impression there is nothing there—they have a trailer, but it is not adequate. The Ministry of Health agrees, the people agree and Dr. Copeman agrees. The whole process breaks down because Dr. Copeman says, "We need a facility on land we can call our own," or at least the local services board in Armstrong can call its own.

The one piece of land that seems most appropriate for that kind of use is owned by the district school board. If it were to give up that land the kids would not have a place to play, so it is reluctant.

The Ministry of Natural Resources does not have crown land in a place that would accommodate the clinic to the satisfaction of most people. There is crown land there, but not in the appropriate place. There is land that is owned by Canadian National Railways that would be appropriate. The local people have made a deal or got a commitment from CN for a 20-year

lease. The local people said: "Gee, that is fine. Thank you very much CN for being a good corporate citizen."

But that is not good enough for the Ministry of Health. That is not an appropriate tenure for this kind of thing. There are only going to be trailers, double-wides or that kind of portable thing that has already been assembled and could be moved in. But for some strange reason Dr. Copeman and his colleagues seem to be saying, "No, we cannot get to first base with it because that is not the appropriate kind of tenure."

One would hope and think that when one gets a situation like that one accommodates his planning to the situation he finds himself in. If one has a 20-year lease, what is wrong with proceeding on that basis? It is again a case of somebody setting up a program down here and establishing the guidelines that might be appropriate and might have some practical application in most situations one would find. But in northern Ontario things are different. What happens if, 20 years down the road, CN says, "We am sorry, but we want to dedicate this property to another use"? So what? What is wrong with that?

Most of these programs have a lifespan of much less than 20 years. If there is anything that drives people such as those involved in providing services in a place like Armstrong to distraction and makes them frustrated it is this kind of bureaucratic red tape. It need not happen. I am sure the minister will treat it with the attention it deserves.

I want to talk briefly about something the minister and I have been involved in and concerned with for a good many years. It is the Nakina runthrough.

The Minister of Northern Affairs, the Premier (Mr. Davis), the Minister of Transportation and Communications and I have had a lot of correspondence about the proposal by Canadian National Railways to discontinue Nakina as a terminal for the trading off of its running trades personnel in that area.

12:40 p.m.

I am not going to bore the committee with all the correspondence we have had. I want to tell the minister of a meeting I attended, accompanied by his Northern Affairs officer from Geraldton, Mr. Morelli, where the people in Nakina were looking to this government to act as a spokesman on their behalf in intervening with the federal government. They want to stop the proposed runthrough because of its social and the economic impact. The impact will not

be so much on the employees as on the community. Of necessity, the employees will have to move, but there is a collective agreement and there will have to be some way of negotiating the terms under which they will be forced to move. However, the minister knows very well what happens to a community when its main reason for being there in the first place is removed.

The only reason Nakina is there is that it was established as a terminal by Canadian National over 60 years ago. It is true that woodlands employees of Kimberly-Clark are now stationed in Nakina, but no one denies that the elimination of Nakina as a terminal will have a very profound effect on that community and on the ability of that community to generate sufficient tax dollars to provide for all the infrastructure dollars that have been spent there on water, sewage and all the recreational facilities.

I want to report to the minister they were a little bit disappointed in him and in the Minister of Transportation and Communications, and indeed in the Premier, because they would like to be able to see such people as a vehicle and as friends to try to stop the runthrough. The minister seems to be saying, "We will try to assist you after the runthrough is effected." That is not what those people want.

I mentioned the task force which is looking into rail transportation and rail facilities in northern Ontario. The people in Nakina did not know anything about that.

Whatever the government is doing with regard to making an assessment of whether the existing rail facilities are good, bad or indifferent, I know the reason it has gone into it. It is because the government considers the two common carriers, Canadian Pacific and Canadian National, have completely abdicated their responsibility for providing service for the movement of passengers. Even Via Rail has not done much better. It just has a token service three days a week between Capreol and Winnipeg. The people of Nakina, Longlac and Geraldton who are supporting it would like to see this ministry and this government really take on the feds.

Hon. Mr. Bernier: Who is the federal member?

Mr. Stokes: The minister knows who the federal member is. I am not an apologist for any federal member.

Hon. Mr. Bernier: He is abdicating his responsibilities in his own riding and letting the provincial member do it all.

Mr. Stokes: I have heard these things when I was in Nakina. All I am saying is he knows where the federal member is. It is not up to me to stand here and be critical of others. I try to be constructive.

Mr. Hennessy: No way, that would not be you.

Mr. Stokes: I am glad he agrees.

The Acting Chairman: I should caution the member for Fort William that not only is he probably not in order, he is also not in his seat.

Mr. Nixon: There are quite a few to choose from.

The Acting Chairman: That may be so, but I shall not look to my left.

Interjections.

The Acting Chairman: Order.

Mr. Stokes: To highlight what I am talking about, I asked the Canadian Transport Commission to hold public hearings several months ago to give everybody who had a vested interest, who had something to say about the proposed runthrough, an opportunity to be heard in a public forum.

I did not hear anything until about two weeks ago. I had my staff call the commission in Ottawa only to find they had requested a public hearing and Canadian National had said, "We would ask you to hold off the public hearing process until such time as we have finalized our collective agreement with the Brotherhood of Locomotive Engineers and the United Transportation Union as to the kind of conditions that would prevail as it affects their members."

Does the minister know what that means? After they have done all the negotiating and everything is signed, sealed, delivered, cut and dried, then they will go through this meaningless public hearing process, after all the decisions are taken. That is a lot of nonsense. That is why the minister, along with his colleague the Minister of Transportation and Communications, should be demanding a deferral of any decision at least until they have had an opportunity for a public hearing.

I do not know when the task force on passengers is going to report. I do not think we should even consider the cessation of the service between Fort William and Sioux Lookout, or the one in Rainy River, or the discontinuance of the Pagwa subdivision or the implementation of the runthrough from Hornpayne to Armstrong, completely ignoring the people of Nakina.

The minister will know that when this thing raised its ugly head in the meetings in Ottawa

and Montreal a few months back the spokesman for Canadian National—I do not know whether it was Mr. Lawless or Mr. Vanderwater—said something that led one of the committee members to ask, "What place is next? Could it be Sioux Lookout next?" He did not say yes or no. It goes to show that if we as elected provincial members do not show some leadership and if we do not express our objections to this, it will be commonplace.

I do not know whether Hornpayne will be next or Capreol or Sioux Lookout. There has to be a process. I see the two ministers saying, "No, not Hornpayne." Collectively, we have a big investment in places like Hornpayne and Nakina. Millions of dollars have been spent in the last seven or eight years on educational and recreational facilities and water and sewage. Collectively, we have made an investment in the future of those communities.

12:50 p.m.

When we get an indifferent and uncaring corporate citizen, a crown corporation like Canadian National making these unilateral decisions without any regard for the social and economic consequences, I believe we have a responsibility, and not just to write letters. It is very easy to sit down and say, "We will react to whatever we hear from our constituents." We give them that kind of pap.

The minister is being accused of saying, "If they do close, maybe we will get them to send in an industrial development officer." It would be too late by then.

When I asked Mr. Vanderwater to justify the figures he was using of a saving of \$1.2 million a year that would be effected if they were allowed the runthrough, he promptly said to me, "You cannot have that kind of information. We are in a competitive position and it might be prejudicial to our interests if we were to give you the details of where we think we can save \$1.2 million annually." I could read chapter and verse on the gobbledegook Mr. Vanderwater gave me.

I wrote to a federal counterpart and said, "Why do you not have Mr. Vanderwater in before your transport committee? Tell him to be there with papers and things, as we have the right to do here whenever we want to shed light on a particular issue." We have done it. When we get recalcitrant witnesses we have even gone to the extreme of having them come in with information by way of a Speaker's warrant so that we can make an educated decision as to the validity of what they are doing. I am sure they

have the same opportunity in Ottawa. I have asked federal members why they do not use that vehicle. There are a number of things we could be doing to motivate people in advance of these decisions to make them justify them.

I would like the minister to support my application to the Canadian Transport Commission, specifically the railway transport committee, to undertake public hearings so that his ministry could make a submission in a public forum to assure the people in Nakina that this ministry and the Ministry of Transportation and Communications have their best interests at heart.

We may not win. If we listened to Jean-Luc Pepin when he was the minister, it was a total cop-out. We are now in the process of trying to convince Mr. Axworthy that he has a very vital role to play. I do not know what his response is going to be, but we will never know unless we get our act together.

The minister, along with his colleague the Minister of Transportation and Communications, should be writing to the transport committee demanding those public hearings and demanding that there be a deferral of any decision at least until the committee has something to say.

None of these things is being done. The people in Nakina and Geraldton get the feeling the minister is standing in the wings waiting to pick up the pieces after the fact. As the minister well knows, it is awfully difficult to do something like that after the fact. We still have some time now, so I suggest we get our act together with or without the federal members. It looks as though it may be without them, but let us do it so that six months down the road we can say, "Because we got our act together, we were successful;" or alternatively, "We gave it our best shot." We will never know that unless we pull out all the stops now before the fact and not after the fact.

I have just time for one final piece of business. This is a letter I got from a constituent of mine who is a businessman. He says: "The enclosed letter tries to sum up my political concerns for the past year. Ten years of life in an Indian community have had a profound influence on my view of government help. The Indian people have been the recipients of a great deal of government help over a long period of time, but as I observe the reality of their lives, I am deeply grateful I have never received this help and I pray I never shall.

"At the same time this government help is

being offered, I believe the government is failing in what I would see as its more traditional role of regulation. One of the most glaring problems for Indian people is a lack of experience and expertise in economic affairs. It is my view that this is a direct result of Hudson Bay's careful exclusion of the Indian people from any role in the economy other than as porters and common labourers.

"A law a hundred years ago requiring equal opportunity for Indian people would have provided more real help in Webster's meaning of the word than all of the programs intended to provide help. Of course, had I been alive then, I probably would have opposed such a law.

"At the present moment there is a good deal of activity supposedly designed to help Indian people with increasing the production of wild rice. The end result of this help has, of course, been a reduction in the production of wild rice, Osnaburg being the one exception I know of. No one shows the least bit of interest in examining this exception.

"In my view, there are at least two very traditional government actions that could be taken to significantly affect the wild rice industry: one, a law requiring the correct labelling of wild rice, a simple truth in labelling act that would prevent farm grown paddy rice from being marketed and sold as wild rice; and two, harvesting regulations that would provide controls on the time and method of harvest. It is my opinion that such simple legislation would increase production by at least 100 per cent as the product is already here.

"I believe the message of Osnaburg's increase is a very simple one. Given better organization and harvesting controls, the existing yield can easily be doubled. Indeed, it is my opinion that with better controls over harvesting our production could be increased by another 50 per cent with no expenditure of government funds in terms of production, meaning a threefold increase over yields here five or six years ago. Meanwhile, government help is effectively dismantling the community efforts that have produced the dramatic increase in production here."

I still have another three quarters of a page and I cannot complete it in time. May I continue with this briefly on Monday?

The Acting Chairman (Mr. Barlow): Perhaps you could adjourn the debate.

Mr. Stokes: It is not necessary.

On motion by Hon. Mr. Wells, the committee of supply reported progress.

BUSINESS OF THE HOUSE

Hon. Mr. Wells: Mr. Speaker, just before the House adjourns, so that my friend will know, we have decided not to proceed with the estimates of the Ministry of Northern Affairs on Monday. They will be proceeding next Friday.

Mr. Stokes: Not on Monday? Why?

Hon. Mr. Wells: On Monday we are going to deal with second reading of Bill 111. This is an amendment to my statement yesterday. We will proceed with Bill 111 on Monday afternoon. On Tuesday afternoon and evening we will do other legislation, some third readings, likely health Bill 92, municipal Bills 106 and 107, and possibly Bills 102 and 103. On Monday we will have a definite announcement on the legislation to be considered on Tuesday evening.

On Thursday we will deal with private members' public business in the afternoon and Bill 111 in the evening. We will come back to the estimates of the Ministry of Northern Affairs next Friday.

The Acting Speaker (Mr. Robinson): Before the adjournment of the House, I would draw to the attention of all members that the Niagara Children's Chorus is preparing to perform on the great staircase below us. I would ask the members, as they are returning to their office or going on their various ways, not only to take a moment to hear their performance but to be aware they are there and not find themselves singing bass in the back row.

The House adjourned at 1:03 p.m.

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No. 87

Hansard

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Third Session, 32nd Parliament
Monday, November 21, 1983

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

Monday, November 21, 1983

The House met at 2 p.m.

Prayers.

STATEMENT BY THE MINISTRY

AMATEUR BOXING

Hon. Mr. Baetz: Mr. Speaker, today I have accepted the report of the Amateur Boxing Review Committee, which I appointed in October 1982 to investigate the state of amateur boxing in Ontario.

Before commenting on the report's recommendations, let me state that my ministry's philosophy is to allow the 72 sports governing bodies recognized and supported by this province to operate independently and in an arm's-length fashion. It is only when there is sufficient reason to believe the conduct of certain sports creates an unacceptably high degree of risk to the safety and wellbeing of individual participants that my ministry will take the necessary steps to examine and, if necessary, re-evaluate the performance of a sports governing body.

By late 1982, my ministry had become sufficiently concerned about the governance of amateur boxing that I appointed an independent committee, chaired by Professor Bruce Kidd—and may I stress the word “independent”—to study the rules, regulations, procedures and method of administration of amateur boxing in Ontario. In my view, the committee has provided us with a most perceptive report of the general state of amateur boxing in Ontario, with particular attention to the medical and ethical aspects.

I agree with the committee's findings that boxing is a tactical, skilful sport requiring great athletic co-ordination and reflexes. Properly regulated, boxing is a legitimate and exciting international Olympic sport. It is also a safe sport, provided—and this is the decisive proviso—adequate regulations are strictly administered.

I therefore concur with the committee's recommendation that amateur boxing should not be abolished in Ontario. In reaching this decision, I realize there is a substantial sector within Ontario society that feels all boxing, including amateur boxing, should be abolished. However, I believe in a democratic society we must weigh

the minimal risk of injury to those engaging in boxing against the basic principle of freedom of choice by those who wish to engage in this recreational pursuit. To deny the latter group this choice is an unacceptable degree of censorship.

I have met with the Boxing Ontario executive committee and have explained to it that, in the light of the review committee's findings, Boxing Ontario's administration and supervision of amateur boxing in Ontario need improvement. I have made it clear that withdrawal of financial support is a possibility unless Boxing Ontario meets the key priorities coming out of this report. I believe the following recommendations must be implemented without qualification if Boxing Ontario is to continue to enjoy the support of my ministry.

1. Amateur boxers without an official, up-to-date identification Canadian Amateur Boxing Association passport will not be sanctioned to compete. This will prevent mismatches and other inappropriate bouts.

2. No one under the age of 11 shall be allowed to compete in any contest or exhibition bout sanctioned or organized by Boxing Ontario and its member clubs.

3. Boxers will be required to undergo mandatory weigh-ins on the day of each bout.

4. Coaches and cornermen will be required to meet new standards of certification by January 1, 1986.

5. An effective system of conflict resolution consistent with full respect for members' rights shall be implemented as soon as possible in order that appeals and complaints by athletes, officials and other members can be given fair consideration.

6. Boxers will be obliged to sign informed consent forms along with the Canadian Amateur Boxing Association application for membership.

These are among the many recommendations, including many addressing boxers' safety, in the report that I expect Boxing Ontario to implement.

Regarding women's participation in boxing, I understand my colleague the Minister of Consumer and Commercial Relations (Mr. Elgie)

has already taken steps to repeal legislation prohibiting women from boxing. There is no medical evidence to preclude their participation. I have instructed Boxing Ontario to ensure opportunities for those women who wish to box at the amateur level.

I have confidence that the administration of Boxing Ontario will ensure a reasonable environment of safety by following the recommendations set forth by the Amateur Boxing Review Committee.

I would like again to thank the committee—its chairman, Professor Bruce Kidd; Frank Corner, QC, and Dr. Bruce Stewart, neurologist—for a job extremely well done. The world of amateur boxing and my ministry are very appreciative of their work.

ORAL QUESTIONS

CONTRACT TENDERS

Mr. Bradley: Mr. Speaker, I have a question for the Chairman of Management Board of Cabinet arising from the report of the Provincial Auditor and the happenings in the public accounts committee last Thursday.

In view of the fact that the Ministry of Government Services/Alan Gordon contracts to Allan W. Foster and Associates Ltd. appear to be, according to the auditor, an evasion of Management Board and an evasion of the Ontario Manual of Administration, and in view of the fact that the MGS telephone directory and Telepac appear not to have had any Management Board prior approval, having before him the report of the Provincial Auditor, knowing the discussions that took place in the committee because the Premier (Mr. Davis) had two of his staff there, knowing these facts, what action is the minister now prepared to take to ensure this does not happen again?

Hon. Mr. McCague: Mr. Speaker, I presume the member for St. Catharines has been absent most days recently when I answered this question, both in estimates and in the House. As the member knows, we have a Manual of Administration which says the ministry, the deputy minister and the minister are responsible for following that manual. If they do not, the member will note they come before the public accounts committee and get a citation from the auditor.

Mr. Bradley: In other words, the minister is prepared to do nothing about it. He is prepared simply to say it goes before the public accounts

committee and no action is taken against the minister. He is prepared to tolerate it.

It seems this problem is persisting even with the new Minister of Government Services (Mr. Ashe) because the new minister seems to be embroiled with his deputy minister over a food services contract that has slipped through the Ontario Manual of Administration requirements. Does the minister not see in this case yet another example of the Management Board of Cabinet and of the Ontario Manual of Administration being evaded? What action is he prepared to take in that specific instance?

Hon. Mr. McCague: The ministry should be given the opportunity to answer that question. There was not a submission made to us in regard to the matter the member mentioned.

Mr. Rae: Mr. Speaker, can the minister explain why he feels he has no overall political responsibility with respect to this question of the allocation of contracts in breach of the Manual of Administration? If that is not the minister's function in his ministry, if that is not his political responsibility—the auditor has a very separate function which is not, with great respect, a distinctly political function; it is an auditing function—who takes the political responsibility once the auditor has made a report and a decision with respect to the conduct of that ministry with respect to the awarding of those contracts? If it is not the minister's responsibility, whose is it?

Hon. Mr. McCague: As I have said on several occasions, it is the ministry, the deputy minister and the minister.

2:10 p.m.

Mr. Bradley: In view of the fact that the minister is perceived to be the person who is supposed to keep a tight rein on the purse-strings, along with the Treasurer (Mr. Grossman), how did it happen that the Ministry of Municipal Affairs and Housing had a \$2-million increase in leasehold improvements for the College Park complex approved? How could Management Board authorize \$500,000 for the computer facility and for the minister's suite?

The Minister of Municipal Affairs and Housing (Mr. Bennett) would be interested in restraint as well. I ask the Chairman of Management Board, as a minister of restraint, along with the Treasurer, how could this ever get through? I think out of that \$500,000, \$100,000 was for the increased expenditure on the minister's office. How did this ever get through?

Hon. Mr. McCague: The honourable member is talking out of both sides of his mouth. He is talking about one case where it did not come before Management Board and another case where it did. The extra expenditure was approved because it was justified.

Mr. Peterson: Mr. Speaker, I have a question for the Premier on this subject. Perhaps he would be good enough to give us his understanding of who is responsible for the series of violations of Management Board orders.

I have asked him in the House; he said it was not his responsibility and the minister would come back and report. The minister is now saying it is the Provincial Auditor's responsibility and/or that of the public accounts committee and tolerating these violations wholesale. Would the Premier be good enough to bring this House up to date on his understanding of who is responsible for enforcing Management Board guidelines with respect to tendering?

Hon. Mr. Davis: Mr. Speaker, I am delighted to see the opposition is so well prepared for this question period. If the honourable member will recall, we were dealing with a particular situation when I indicated to the House that the Chairman of Management Board would be taking a look at certain matters that were raised. After that time, my recollection is that the Provincial Auditor indicated he would be looking at this matter, which I think is appropriate and which I sensed members of the public accounts committee supported. That was one set of circumstances.

I assume the Leader of the Opposition (Mr. Peterson) is now referring to the Provincial Auditor's report to the public accounts committee. As I recall it, four situations were raised by the committee upon which the Provincial Auditor reported. I think it is fair to state that the Minister of Government Services is more than prepared to deal with all four of those situations.

My recollection is that in two of the four situations, the Provincial Auditor concurred that they had been properly dealt with. I am only paraphrasing and going partially by memory. I think the reality is that Management Board is in charge of the Manual of Administration and certain aspects of it. But it is also fair to state that in any government there is a degree of ministerial responsibility and ministerial discretion and accountability. That is the way it functions. I assume that is the way the member's own caucus funds function in terms of the fact that they too are public funds, although I do not imagine there is a Manual of Administration

that applies to that operation nor am I suggesting there should be.

I think the Chairman of Management Board has indicated quite clearly—and I just want to add this, in that I am knowledgeable in general terms of the volume of activity Management Board handles. I can only say the Chairman of Management Board and the Secretary of Management Board are among the most effective public servants one will find anywhere. While I do not say it cannot be improved, I do say the track record of the management function of this government relative to any other government I know is extremely good.

Mr. Peterson: I suggest to the Premier the present record is very bad. We have a series of violations from the former Minister of Industry and Trade, the member for London South (Mr. Walker), with respect to the tendering of certain contracts in his ministry. We brought that to the Premier's attention and he said he would look into it. He gave the responsibility to the minister in charge of Management Board and he has come back with nothing to this House. It moves from ministry to ministry. We now have a series of violations within the Ministry of Government Services.

Mr. Speaker: Question, please.

Mr. Peterson: Would the Premier not agree with that? Then when we have evidence that a minister brought that to the attention of the higher authorities, he was sacked and those people who go on violating Management Board orders are still in place. Now we have a general eschewing of responsibility, saying that no one over there knows who is responsible for enforcing those guidelines that were part of the administration of his government and, indeed, that speak to the proper stewardship of public funds.

Does the Premier not feel it is his responsibility as the first minister to have a very clear definition of responsibility for who is responsible for these wholesale violations that have been going on in the various ministries for some time?

Hon. Mr. Davis: I understand it is the tradition of the Leader of the Opposition since assuming office to exaggerate situations rather extravagantly. No, I do not agree with his assessment. I do not think he expected I would, because it is totally without validity.

I went through the history, and if he wishes me to repeat it I will, because he repeated it in the preamble to his question. If the chairman of the standing committee on public accounts

disagrees with me, perhaps when he comes into the House he can say so. As to the items raised by the Leader of the Opposition, or whoever, with respect to the present Provincial Secretary for Justice (Mr. Walker), my recollection is very clear. I did say I would ask the Chairman of Management Board in the interim. I think it is quite clear the Provincial Auditor has said he will take a look at it, which I think in the interests of this House is the proper route to go.

If he or his colleagues on the public accounts committee do not wish the Provincial Auditor to do this, then I suggest he have a word of prayer with its chairman. Once again, and I am going partially by memory, my recollection is that the public accounts committee had four items, or there were four items the Provincial Auditor looked into with respect to the Ministry of Government Services. My recollection is the Provincial Auditor said that in two situations, and I do not recall the particulars, proper procedures had been followed.

I suggest, in fairness, if the Leader of the Opposition is at all inclined to be fair, which is perhaps at this stage open to question, he might await the opportunity of hearing the deputy minister of that ministry in his appearance before public accounts. I am sure part of my responsibility in this House is to explain what deputy ministers may or may not be doing. I always feel badly when members opposite are personally critical, as one or two in the Liberal Party have been, about a public servant when that public servant is obviously not in a position to reply in this assembly and prior—

Mr. Nixon: Is the Premier criticizing the member for Lanark (Mr. Wiseman)?

Mr. Speaker: Order.

Hon. Mr. Davis: I would say to the—

Mr. Nixon: Does the Premier think we dreamt this up out of whole cloth? We got it from his minister.

Hon. Mr. Davis: The member should read the auditor's report. He will find two out of four, I would say with respect—

Mr. Nixon: Did the Premier listen to what his minister said before he fired him? The member for Lanark's views are good enough for me.

Hon. Mr. Davis: Why does the member not wait until the deputy minister has his opportunity? It is easy for the members opposite, in this House or publicly, to criticize an able, dedicated, public servant who is not in a position to defend himself. He will have that opportunity in public accounts.

Mr. Nixon: He was criticized by his boss and the Premier fired his boss.

Hon. Mr. Davis: That is utter nonsense.

Mr. Speaker: Order.

Mr. Rae: I find it somewhat ironic that the Premier would be hiding behind a deputy minister when the questions we are asking focus entirely on the conduct of ministers themselves. I suggest to the Premier that he not hang out his deputy ministers to dry and that he look at the responsibility of ministers, which is what we are talking about on this side of the House.

The Premier talked about the importance of ministerial accountability. He talked about the ultimate end being political accountability. I would like to ask the Premier, with respect to the contracts that are now being examined by the Provincial Auditor, which were alleged to have been awarded by the now parliamentary secretary for Justice, if the awarding of those contracts has been in contravention of the Manual of Administration. I would also like to ask the Premier whether he is prepared to ask for the resignation of the parliamentary secretary for Justice.

2:20 p.m.

Hon. Mr. Davis: Mr. Speaker, he is not the parliamentary assistant for the secretary of Justice. He is the secretary. I know the member for Renfrew North (Mr. Conway) has been waiting for two or three days to ask the question. He made the mistake of saying to one of my colleagues he was going to ask it. I am not surprised the member for Renfrew North would ask such a question. I am very disappointed the leader of the New Democratic Party would feel fit to ask such a question.

I can only answer that I do not make prejudgements. I am making no prejudgements with respect to this situation. The Provincial Auditor is going to look at the process, and it would be ill-befitting to make any judgement prior to that being done. The leader of the New Democratic Party likes to prejudge individuals, personalities and issues, and that is why he is doing so well. His party is worse off today than when he became leader.

Mr. Peterson: The issue clearly is the stewardship of public moneys. We are seeing a succession of violations of Management Board orders. When we ask for accountability, everyone, including the Premier, denies responsibility. Now he is suggesting we are attacking some deputy minister who cannot defend himself,

which is absolute nonsense. We are asking for ministerial responsibility, and he is denying it.

My question to the Premier, as the one in charge, is this: Will he assure this House he will bring in a system that will enforce the Management Board guidelines so we will not see any more of these violations that continue to go on year after year under his administration?

Hon. Mr. Davis: The Leader of the Opposition, I guess inadvertently, as is his custom, pointed out one of the problems confronting any administration of government. In one part of his question, he says, "Will I see there is some mechanism to enforce Management Board orders." Ten seconds later he talks about Management Board guidelines. There is a distinction between a Management Board directive and guidelines, policies and what have you where there is some degree of discretion.

I think the member will find there has not been a minister who has evaded or avoided a Management Board directive. The issue is whether or not ministers or ministries have conformed to the Manual of Administration and, if not, were there circumstances that would have permitted that to happen. The member should start drawing a distinction between guidelines and particular orders.

PRIVATE NURSING HOMES

Mr. Rae: Mr. Speaker, I have a question for the acting Minister of Health with regard to the operation of private profit nursing homes in this province. As the minister may be aware, there are now 46 charges outstanding against the Muskoka Nursing Home in Gravenhurst which are going to be coming to trial this Friday.

I wonder if the minister can explain how the same principals, Mr. Stephen Bordo and Mr. Michael Ayers, who are the principals of the Carewell Corp. as well as five related companies which operate nursing homes, have since the time these charges were laid in Muskoka been allowed to purchase the 105-bed Casselman Nursing Home in Casselman in eastern Ontario by 542211 Ontario Ltd., of which Stephen Bordo is the sole officer and director; and that another of Mr. Bordo's numbered companies, 542212 Ontario Ltd., has been allowed to purchase the 78-bed Quinte Beach Nursing Home in Deseronto, Ontario.

The Elm Tree Nursing Home, which is another Bordo-Ayers operation, at the time of the renewal of its licence was noted to have 32 violations, including live ants in clothes closets in two rooms, urine odours in washrooms and

residents observed to be inappropriately groomed and attired, i.e., unshaven, with soiled clothing and without footwear. How was that nursing home allowed to purchase the licence of the Acme Nursing Home? The residents in the Acme Nursing Home are going to be transferred to a new addition at Elm Tree. Can the minister explain how these three transactions have been possible, given the record of these operators?

Hon. Mr. Wells: Mr. Speaker, I would be glad to look into that for my friend. I cannot explain it to him right now, but I would be glad to look into it. He should not forget he began his question by saying certain charges were still to be heard in court. I would not comment on those charges. In this country everyone is innocent until proven guilty.

Mr. Rae: Given the fact that we are not only dealing with charges that have been laid under the Nursing Homes Act, but we are also dealing with inspections that have shown violations at the Elm Tree Nursing Home in Downsview and the Streamway Villa Nursing Home in Cobourg, where the inspection report showed 23 violations, while at the Kentwood Nursing Home in Picton the Ministry of Health found 13 violations, including such basic things as a shortage of linen, one resident being restrained without a physician's current order and one resident receiving intimate care without the use of a privacy screening device, does the minister not think it would be appropriate to take the record of companies into account as a matter of basic policy, given the fact that the ministry's own inspection service saw things serious enough to warrant the laying of charges, which they do not do in literally hundreds of cases? Does he not think it would at least be appropriate to suspend the allowance of any additional purchase of beds until such time as charges under the Nursing Homes Act have been disposed of?

Hon. Mr. Wells: I will comment on that when I have a chance to review all the details surrounding that particular situation.

Mr. Wrye: Mr. Speaker, surely the minister is growing more concerned by the moment, as are all members of the House? As the summaries of annual inspections are now becoming public, we are seeing, even on inspections that are well noted beforehand, there are major and numerous violations.

Given that circumstance, does the minister not think it is time to begin a process of reform in which we would have immediate annual inspections of all homes rather than waiting for

their licenses to come up, have further surprise inspections in any homes where there is more than a minimal number of areas of noncompliance and have spot check inspections throughout the year? Very clearly the number of violations is very serious and these inspections occur with warnings that are well given. Does the minister not think it is time for these reforms?

Hon. Mr. Wells: The process of reform has begun. The first step in that process of reform was making the inspection reports public.

Mr. Wrye: They are the summaries.

Hon. Mr. Wells: The fact that the summaries—the reports—are public means the member was able to have a press conference this morning and give out the lists of all the various violations. I suggest that will have a good effect on these nursing homes in future because they now know that not only are they going to be inspected, but they are also subject to public scrutiny as to the number of complaints or suggestions of non-compliance that are made against them.

We have certain ground rules or bottom lines I think we have to look at. The inspection process of nursing homes is carried out in order to point out areas of noncompliance. It is not to put the nursing homes out of business but to get them to comply with those areas. My friend is quite right. It is only in very severe situations that we actually take them to court and charge them. The main thrust is to get them to comply. The publication of the report is to help in that process.

That is our bottom line. We have never said we are doing it perfectly. We are going to do all those things that will make that process work better. It should also be understood that the bottom line of my friends in the New Democratic Party is to force the private operators out of business. I gather that is what they told the press conference this morning. They did not think there should be any profit operators or anyone in the nursing home business that was a company or who was in it for profit. That is the basic philosophical difference between their party and ours. We do not accept that premise as a bottom line over here.

Mr. Cooke: Mr. Speaker, I would like to point out that we are now on our third Minister of Health. The member for Don Mills (Mr. Timbrell) said he was going to crack down on nursing homes. Then the member for St. Andrew-St.

Patrick (Mr. Grossman) said he was going to crack down on nursing homes.

Mr. Speaker: Question, please.

2:30 p.m.

Mr. Cooke: Now the member for Kingston and the Islands (Mr. Norton) says he is going to crack down on the nursing homes, yet the nursing homes continue to thumb their noses at the government and not follow the Nursing Homes Act.

When are we going to get proper reform in the inspection process that would include a decentralized inspection team, which would be inspecting on an ongoing daily basis along with the centralized teams; the funding of advocacy groups, which would also have a proper and positive effect on the inspection teams; and financial accountability of these nursing homes that are making huge profits at the expense of the elderly in their care in this province?

Hon. Mr. Wells: Mr. Speaker, the crackdown process has begun as indicated by the ministers twice and three times removed and the present minister.

Interjections.

Mr. Speaker: Order.

Hon. Mr. Wells: This process is now in motion.

I just want to correct the record. A minute ago I indicated that the nursing home reports were made public. My friend yelled, "Summaries only." I am told the actual reports are attached. They are not just summaries. The full inspection report is made public.

INFLATION RESTRAINT LEGISLATION

Mr. Rae: Mr. Speaker, my question is to the Premier and has to do with the growing number of public sector employees who are being required by the Inflation Restraint Board to pay back amounts as high as \$2,000 to the government of Ontario.

I am sure the Premier will be aware of the situation at the Pine Grove Nursing Home in Woodbridge where nursing home workers, making between \$9,000 and \$13,000 a year, have been ordered to pay back amounts ranging from \$150 to \$380 per employee. We have raised the cases of the Sensenbrenner Hospital, Pinewood Court and Van Daele Manor, which is in Sault Ste. Marie. Thus far we have had no action from the government of Ontario.

What hope is the Premier prepared to offer today in terms of concrete action to workers who are at the very low end of the scale and who

are providing nursing care for our neediest citizens? What kind of hope is he prepared to offer to these people in terms of disallowing the actions of the Inflation Restraint Board?

Hon. Mr. Davis: Mr. Speaker, I would be delighted to look into this matter. I have a few notes here in anticipation of the member raising the question.

My information is, and this is subject to correction, that the board has not ruled that excess payments have been made, nor has it ordered a rollback, but I will look into this further. Actually, apparently this question—

Mr. Wildman: By accident.

Hon. Mr. Davis: Would the member let me finish or does he want to make a speech?

Mr. Speaker: Never mind the interjections, please.

Interjections.

Hon. Mr. Davis: I am just trying to be helpful. I am not being provocative. I am trying to give the revered leader of the third party as much information as I can.

My impression is that this matter is something that is being discussed. I guess it arose because of an audit being done internally and not necessarily as it related to the restraint legislation. That is the brief information I have. I will be discussing it with the provincial Treasurer (Mr. Grossman) and will have further information for the honourable member either tomorrow or on Thursday.

Mr. Rae: We are looking here at a basic matter of policy. If it was one case and one instance one could say this was an exception.

In particular, I want to refer the Premier to what happened with respect to the Sensenbrenner Hospital employees in Kapuskasing. On November 4 the Treasurer rose in this House and said that he had a sense of grief at what had happened here. He then went outside the House and told the press, and I quote from the Toronto Sun, "The bottom line is we are going to find a way to solve the problem. I think, ultimately, they will not have to come up with the money." Now, on November 21, the workers in Kapuskasing have not heard a word from the government of Ontario or from the Inflation Restraint Board with respect to any proposed action to force a rollback of the IRB decision.

Mr. Speaker: Question, please.

Mr. Rae: The question I am directing to the Premier is a very direct and basic one. Is the government prepared to take action so that the

lowest paid employees of this province do not have to pay back to the government of Ontario as much as \$2,000 that they managed to get out of their employer? Is he prepared to make that commitment with respect to the lowest paid workers in this province?

Hon. Mr. Davis: I sense the enthusiasm over there. The money is in many cases not paid back to Ontario at all. The member knows better than that. I would say to him the Treasurer dealt with the particular situation in Kapuskasing.

Mr. Foulds: He didn't.

Mr. Rae: He merely talked about it.

Mr. Speaker: Never mind the interjections, please.

Hon. Mr. Davis: Before the member for Port Arthur (Mr. Foulds) interjected, I was going on to say the Treasurer of Ontario had indicated in this House this matter would be addressed. If he had let me finish, he might not have felt so compelled to offer a contribution.

I suggest to the leader of the New Democratic Party that in programs of this nature there are always situations that I think merit particular attention. Regarding the one in Woodbridge, which is somewhat familiar to me, my information is it did not necessarily arise out of the restraint legislation per se but because of some internal audit or whatever it was. The Treasurer will be looking into it and communicating back to the House.

He has said what he will do with respect to dealing with Kapuskasing. He perhaps does not know the particulars of it and how it is to be addressed, but I say with the greatest of respect he made it quite clear both in the House and outside the House he would seek ways and means to see those workers did not have to repay that money.

Mr. Rae: The Premier will be aware the Treasurer at the time, now the Minister of Industry and Trade (Mr. F. S. Miller), on May 4, 1983, wrote a letter to one of the employees at the Pine Grove Nursing Home. I say with great respect to the Premier this matter does have to do with the Inflation Restraint Act and the Inflation Restraint Board. In writing that letter the Treasurer at that time said, "In introducing the Inflation Restraint Act, the government did not intend to imply that the wage structure within the public service was perfectly fair." He went on to say, "No program of this nature can be completely equitable."

The government cannot talk out of both sides of its mouth at the same time, try as it might.

What is the Premier prepared to say to the employees at Sensenbrenner Hospital, at Pine-wood Court in Thunder Bay, at Van Daele Manor and other employees who have been caught in this web which has caused such an unfairness for them and their families? I would like to address this question to the Premier quite directly: Is he prepared to see, whether by means of special legislation or anything else, that these employees are not forced to pay back wages they were awarded, wages which in some cases they bargained for and which are theirs as a matter of right.

Hon. Mr. Davis: I do not think the leader of the New Democratic Party really expects the government to answer such a general question in a simplistic fashion. The reality is that with respect to Kapuskasing—

Mr. Foulds: In a direct fashion.

Hon. Mr. Davis: Pardon. I did not hear you.

Mr. Speaker: Back to the question, please.

Hon. Mr. Davis: I wonder if the leader of the New Democratic Party wishes his colleague to raise a question. I could not hear the interjection.

Mr. Speaker: Never mind the interjection, please.

Hon. Mr. Davis: I see. Can I start again because I was interrupted by the member's colleague?

I suggest one has to look at these in individual situations. They are not necessarily similar. I think the factual background could be very different in each case. The question of the Kapuskasing hospital workers has been raised here in the House. It was also raised by the member from Kapuskasing, the member for Cochrane North (Mr. Piché)—that may come as a great shock—in advance of it being raised here. The Treasurer has said, and it is factual, that there are discussions among the ministry, the Inflation Restraint Board and the hospital. These discussions are in process.

GOVERNMENT TELEPHONE DIRECTORY

Mr. Boudria: Mr. Speaker, I have a question for the Minister of Government Services concerning the government telephone directory project.

Last Thursday in the standing committee on public accounts the Provincial Auditor told us that the cost of the directory and the related Telepac data base was \$101,000 and \$617,000 respectively, and that the latter was developed without the approved implementation plan speci-

fied by cabinet and without a feasibility study as required by Management Board.

Would the minister tell the House why, in reply to written question 325 on the order paper standing in my name, he stated the total cost of the project was \$101,300 and neglected to tell the House of the \$617,000 expenditure on the Telepac directory, which really makes the total cost \$718,300.

Why is there such a contradiction between the minister's answer and that of the auditor?

2:40 p.m.

Hon. Mr. Ashe: Mr. Speaker, I do not have the written question in front of me but, as I recall, the question on the order paper asked the comparable costs for the 1982 directory and the 1983 directory. The answer, as given, was correct.

It is unfortunate that some people do not realize the difference between an electronic data base and a printed telephone book.

Mr. Cunningham: Mr. Speaker, I have a copy of the spring 1982 book and the new Telepac directory of 1983. The only significant advantage to the public which I can see is that the minister's picture is on the back, although he is not wearing that snappy suit.

Is the minister aware that the unit costs associated with this project have pushed the cost of this book from a little more than \$2 in 1982 to \$14 in 1983? Is this his idea of restraint?

Hon. Mr. Ashe: Mr. Speaker, if we could draw pictures in here for some people, maybe they would understand. Maybe some kindergarten courses might be in order.

Mr. Kolyn: Show and tell.

Hon. Mr. Ashe: Show and tell probably would be appropriate. I think we do that down at the lower grade school level with great results. Possibly that is what is in order here.

Once again I have to emphasize that we are talking about two different projects.

Mr. Boudria: The auditor says it is the same thing.

Hon. Mr. Ashe: The auditor does not say it is the same thing. The honourable member cannot even read properly.

Mr. Speaker: Order. This is developing into a debate.

Mr. Philip: Mr. Speaker, the one thing we are clear on is that the minister's senior officials were in violation of the Manual of Administration and, indeed, of the procedures of cabinet. What kind of answer does the minister have for

this House on that obvious condemnation by the Provincial Auditor?

Hon. Mr. Ashe: Mr. Speaker, it is my understanding that the deputy minister will be appearing before the standing committee on public accounts in a very short time, this Thursday or the following Thursday. I think it is due process of law, at least common courtesy in this land, that a person is not completely guilty until one hears the other side of the story. I think it would be very important and very prudent on the part of the members to wait until that occurs.

MATERNITY LEAVE

Mr. Swart: Mr. Speaker, I have a question for the Minister of Labour. He will be aware that the case of the adoptive mother in Welland who was refused leave of absence by Canada Trust to care for her adopted child was resolved. However, it was only resolved by the company's backing down and providing the 17 weeks' leave of absence simply because of the bad publicity that company received.

Recognizing this situation can rise again and recognizing what appeared to be his genuine concern in this matter, is the minister now prepared to commit himself to amending the Employment Standards Act this session so that adoptive mothers are entitled to the same leave of absence as natural mothers?

Hon. Mr. Ramsay: Mr. Speaker, I will be making a statement in the House before the end of this session which I believe will address, at least partly, the concern the honourable member has expressed.

Mr. Swart: I am certainly concerned that the minister is only going partly to address the problem. I will send to him now the names and addresses of another case of adoptive parents, who incidentally live in the riding of Lincoln. The mother, who worked at General Motors, was refused leave of absence on two occasions when the parents adopted children. In both cases, she took the time off in spite of the refusal by the company to give it to her. It was only by good luck in the one instance that she got her job back and in the second instance through a union grievance because they had unionized after that.

Would this not further encourage the minister to bring in the necessary amending legislation to ensure fair and equal, but not partial, treatment for adoptive mothers?

Hon. Mr. Ramsay: I ask the member to be patient for a few days. When he hears what I

have in mind, I am sure he will feel that it adequately addresses the problem he is bringing to our attention.

USE OF DEREGISTERED PESTICIDE

Mr. Speaker: The Minister of the Environment has the answer to a previously asked question.

Hon. Mr. Brandt: Mr. Speaker, I want to respond to a question raised by the member for Hamilton Mountain (Mr. Charlton) with regard to the lack of notice concerning regulatory action taken by the federal Department of Agriculture in changing the registration status of the fungicide Du-Ter.

During the week of October 10, 1983, my staff received rumours to the effect that Du-Ter's registration had lapsed on December 31, 1981, although existing stocks of Du-Ter were permitted to be used. Despite repeated requests to the appropriate staff of the Department of Agriculture in an attempt to confirm the rumours, it was not until October 20, 1983, that such confirmation was forthcoming.

My staff was advised on April 30, 1981 by the federal Department of Agriculture that the registration of Du-Ter had lapsed in December 1980. Subsequently, my staff was informed by the Department of Agriculture in the Reports of New and Modified Uses for Pesticides Registered Under the Pest Control Products Act, January-December 1981, that the registration of Du-Ter was extended. Further, my staff checked and found Du-Ter listed in the federal government's official 1982 and 1983 compendia of registered products published by the Department of Agriculture. These compendia list the pesticides which can be sold and used in Canada and are the recognized official listing for these products. My staff is not aware of any further correspondence on the status of the registration of Du-Ter until October 20, 1983.

My staff has also conferred with senior pesticides officials in the Ontario Ministry of Agriculture and Food on this matter, and they are not aware of any additional correspondence from the Department of Agriculture on this product.

The staff of both Ontario ministries have informed me that the Department of Agriculture and the pesticide firm are represented at the Ontario crop protection committee meetings. These representatives did not raise the issue of Du-Ter during the 1981, 1982 and 1983 meetings when the provincial pesticide recommendation calendars were discussed.

The second part of the member's question related to the normal procedure used by the federal government to inform the provinces of any changes in the registration status of pesticide products.

The provinces are notified in several ways. For a recall type of action, the province is advised by the Department of Agriculture immediately by telephone and then by telex of the recall, the reasons for it and the details of the manufacturer's recall procedure. Pesticide products such as Cobex, Tok and Disulfoton were taken off the market in this way. All actions in these situations were well co-ordinated by the Department of Agriculture and the provinces.

For discontinued products, the provinces are notified through the federal government's Reports of New and Modified Uses, its official compendium of registered products, and through the Canadian Association of Pesticides Control Officials newsletters.

In the situation—

Mr. Speaker: I think the minister has answered the question very well.

Hon. Mr. Brandt: May I sum up, Mr. Speaker?

Mr. Speaker: Perhaps you could send a copy over to the honourable member.

Hon. Mr. Brandt: May I sum up, Mr. Speaker?

Mr. Speaker: No. Thank you.

ACID RAIN

Mr. McGuigan: Mr. Speaker, I have a question for the Minister of the Environment. He attended the Fredericton conference on acid rain and knows about the Americans' attitude to our apparent insincerity on controlling acid rain from our Ontario Hydro plants.

Can he tell us why he is unable to persuade Hydro to put scrubbers on its coal plants? I hope that in his answer he does not tell us it is because he is relying on the nuclear power plants, because at the rate they are breaking down we are soon going to be heavily using coal plant electricity.

2:50 p.m.

Hon. Mr. Brandt: Mr. Speaker, as the honourable member is well aware, the use of coal-fired plants in Ontario currently is at a level of about 35 per cent of their capacity. In effect, we use those plants to back up the other power plants in the system, and they are not required more than about one third of the time.

The order Ontario Hydro is under at present does not specifically outline the technology required for them to reduce the total emissions

of sulphur dioxide from the existing plants, but I want to tell the member that over the next seven to 10 years there will be a reduction of some 43 per cent, from approximately 500,000 tons of sulphur dioxide emissions as of today to about 300,000 tons as of 1990.

The member raises the question about why scrubbers are not installed in the existing plants. Quite frankly, there is no need for scrubbers if there is going to be a shift in power from coal-fired plants, which are emitters of sulphur dioxide, to another form or type of technology where it is not required to install scrubbers.

It makes a great deal of sense that Hydro use the least-cost option, in other words, the most inexpensive way of delivering power to the citizens of Ontario. I would think the member would agree that we should be looking at options that reduce costs in the total system.

Mr. McGuigan: The minister may be quite correct as far as Hydro's production and costs are concerned, but it seems to me we are really engaged in a political battle with the United States to try to persuade it to reduce its emissions. I would like to point out that our bunker mentality here in Ontario is not producing results. I suggest that we need to go to methods that will prove to the Americans we are willing to make some sacrifice in view of the fact we are the people who are suffering most. Would the minister at least put scrubbers on those plants that are now subbing for the atomic plants?

Hon. Mr. Brandt: I take strong exception to the use of the words "bunker mentality." The member is completely ignoring the fact that Ontario has reduced sulphur dioxide emissions from four million tons to two million tons. That is a cut of exactly one half. That should be taken into consideration. I do not know of another jurisdiction in North America whose record can compare with ours.

At no time during the conversations I had at the conference in Indianapolis was the question of any inactivity or inaction on the part of Ontario even brought up by anyone in attendance. Quite frankly, they look with envy at the record of achievement we have been able to realize to this point, because if the power plants in the United States had cut back by even a fraction of the results we have shown in Ontario we would not have an acid rain problem in Muskoka, the southern part of Quebec or in other jurisdictions that are suffering from sulphur dioxide fallout.

The record of our government is one I can defend. I can stand in front of any audience

anywhere in North America and stand behind that record with pride.

AIR BRIDGE CORP.

Mr. Philip: Mr. Speaker, I have a question for the Minister of Consumer and Commercial Relations concerning the demise of yet another travel wholesaler, Air Bridge Corp., the company that owns Chieftain-Shamrock Tours.

The minister will be aware that last Monday, in his absence, I asked a question of the Deputy Premier (Mr. Welch) concerning the astonishing behaviour by the staff of the registrar in telling travel agents the day after the assets of the company were frozen to send the payments to Chieftain for trips the registrar knew would never take place.

Is the minister aware that those agents who had the foresight to stop payment on cheques are now receiving a letter from Clarkson Co. Ltd., the receiver, harassing them to make good on those cheques they sent for nonexistent trips, trips that will never take place?

Hon. Mr. Elgie: Mr. Speaker, just to clear up the record, let us understand that up until Monday, November 7, it was clearly the announced intention of Sunquest Vacations to acquire Air Bridge and thereby to acquire Chieftain-Shamrock. The ministry at that time had no reason to be concerned about the ongoing capacities of that travel agency with that takeover in the offing. It was not until late Monday or early Tuesday, when it was learned that the deal had fallen through, that the ministry felt certain steps should be taken and a precautionary freeze was put on the trust assets. By Wednesday morning, those calling in were told that if they were sending in cheques, they would be doing so at their own risk. By Wednesday afternoon, auditors were in place and an application was before the court for a receiver.

Even while that was going on, there were still discussions taking place with Sunquest about the possibility of it rejuvenating or restoring that offer and perhaps saving the whole situation. I do not know the particular circumstances the honourable member is talking about. If he will give me the information, I will be glad to look into it. I want to tell him that every precaution that could be taken was taken.

Mr. Philip: Maybe the minister is not aware that the words "at your own risk" were never given to the travel agents. I can supply the names of travel agents who will confirm that.

Can the minister explain how the registrar could have renewed the registration on October

22 and less than a month later we face this company going into receivership? What kind of inquiry system does the registrar have? What kind of incompetence does he have that we can face him looking into the re-registration on October 7 of the wholesale licence of this company, and on October 22 of the retail licence, and less than a month later we face a receivership in this company?

Hon. Mr. Elgie: First of all, I think we all need to understand that a travel agency, as I am sure the member is aware and would admit, has rather unique cash flow and capital problems that can vary greatly with the economy, with the weather, with a number of circumstances. It would not be unusual for a number of companies to have transient problems with respect to their cash flow.

With respect to this company, it changed ownership some time in May 1983 and the ministry was quite confident that the new owners would be able to correct any deficiencies they might find in that company. By August, the new company indicated it was still having trouble getting its accounts and other matters into proper perspective and it was therefore given until October 23 to file an appropriate audited report of the financial status of the company.

In the meantime, the registration came up on October 7. Surely the member is not saying that the registration should have been cancelled at that time, leaving all those customers without any protection whatsoever. Surely he is saying the government acted responsibly in allowing the customers who had purchased trips and were away from this country to have protection and the coverage of the travel industry compensation fund. The industry recognized the need for that fund; it was co-operative and saw the need for the fund.

In taking the actions it did at that time, this government was acting very responsibly, knowing that if at any time anything was found that warranted removal of the licence, it could do so.

Mr. Boudria: Mr. Speaker, did they ever consider issuing an interim licence to the company if they could foresee only 17 days before that there might be problems? If that was not considered, would the minister indicate to the House why?

Hon. Mr. Elgie: Mr. Speaker, I think I just indicated very clearly that if circumstances had intervened that required an alteration in terms of the licence at any time, it could have been

done; but clearly between October 7 and October 23 Sunquest announced its intended takeover, therefore the concerns that anyone might have had with respect to that company were obviously diminished.

3 p.m.

CONSTITUTIONAL PROPERTY RIGHTS

Mr. Epp: Mr. Speaker, I have a question for the Premier. The Premier will recall that last year I tabled a resolution regarding the enshrinement of private property rights in the Constitution. The Premier has endorsed the enshrinement in principle and promised to introduce a resolution in Ontario.

Is he intending to introduce a resolution this fall? If so, will it be identical to the one that I introduced, which was adopted unanimously by the BC Legislature, or does he intend to introduce one different from the one that is on the Orders and Notices right now?

Hon. Mr. Davis: Mr. Speaker—

Mr. Kerrio: Just the author's name.

Hon. Mr. Davis: Pardon?

Mr. Speaker: Never mind the interjections, please.

Hon. Mr. Davis: Who is the author?

Mr. Kerrio: Mr. Epp.

Hon. Mr. Davis: Mr. Speaker, I think the government has indicated its point of view on this issue. I think it is also fair to state that not all of the other provinces have supported this, so the possibility of this actually taking place at this moment is still open to question.

I am not sure whether the government will introduce a resolution. Obviously, if a resolution is introduced it should be rather consistent with the BC one. If it ever is to take effect and have support of the other provinces, the wording of the resolution has to be the same. I think we have indicated our support for this in terms of principle. It is a question of whether from a practical standpoint at this time other provinces will see fit to introduce similar resolutions so there would be an amendment. I will update myself for the honourable member. I do not recall other provinces indicating they were contemplating doing this but I will check that out.

Mr. Epp: Since some of the provincial governments have expressed reluctance for various reasons to endorse a resolution similar to the one that was adopted by BC and the one introduced here, what measures is the govern-

ment taking to obtain the support of other provinces for this very important enshrinement of that resolution?

Hon. Mr. Davis: I think it is fair to state there are some provinces looking to get our support for not introducing such a resolution. It is a matter that has to be determined by individual legislatures.

INDIAN BAND AGREEMENT

Mr. Stokes: Mr. Speaker, I would like to ask the Minister of Natural Resources if he was quoted accurately about three weeks or a month ago when it was reported that he said that for all practical purposes the Indian fishing agreement was dead. Is that a reflection of the lack of solidarity or lack of commitment on behalf of his colleagues over there, or has it something to do with the intransigence of the federal government?

Hon. Mr. Pope: Mr. Speaker, the agreement was signed on December 17 and at the time of the signing the federal government indicated it was unconstitutional, beyond delegated authority. We asked then, and have reiterated since then, for details on what was unconstitutional about it or how it was beyond delegated authority, or in any event how two parties to a delegation could not agree to amend the ground rules. That was never forthcoming, never given in writing, and Mr. De Bané, a week ago today, indicated that the Justice department's problems with the agreement were of a minor technical nature.

Mr. Munro's office, through an aide, indicated to the press that last Monday it would be tabling a new agreement or some document to indicate the federal position. No document was ever tabled whatsoever, no subsequent agreement was tabled at that meeting and nothing in writing was put forward to explain the objections to the December 17 agreement. There has been no progress in almost a year since that agreement was signed. We have not heard from the federal representatives in over six months and I have to conclude they are not interested in signing the agreement.

Mr. Stokes: Is there no initiative that the minister can take on behalf of the wise use of our fish and wildlife resources, and is there no effort he can make on behalf of our first citizens, who for the first time have indicated they want to become involved in resource management and resource conservation? Is there nothing the minister can do to convince his federal counter-

parts that this is the first step in the kind of sharing that everybody would hope for in implementing what we broadly refer to as treaty and aboriginal rights?

Hon. Mr. Pope: Mr. Speaker, over a period of almost one year I have attended meetings on a monthly basis with the federal negotiators, of whom there were five as well as a parliamentary secretary, Mr. Chénier. I attended every one of the monthly meetings. On two occasions during that time I met with Mr. Munro and Mr. De Bané, and before him with Mr. LeBlanc, on this issue. I worked with the federal representatives.

They came to Sault Ste. Marie in August 1982 and negotiated the detailed regulation which would have given the government of Ontario regulatory authority over Indian harvest fishing matters. That was also signed by the Indian negotiator.

All through this, including the September 1982 meeting when Mr. Munro agreed to the principles of the agreement, I have worked on a regular, ongoing basis with the federal officials. We have discussed and negotiated the details of that agreement over a full year. Since December 17, there has been no attempt on their part to come to grips with the issues or the problems that a lack of an agreement is creating in the management of Ontario's fishery resource.

In the absence of any political will on their part, all I can do is continue to communicate with them and make public the problems that are being created because of their lack of a position on this issue.

PETITIONS

INFLATION RESTRAINT LEGISLATION

Mr. Rae: Mr. Speaker, I am honoured to have been asked by hundreds, if not thousands, of members of the Federation of Women Teachers' Associations of Ontario in Toronto, North York and other boroughs in the municipality of Metropolitan Toronto to present these petitions:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect

would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

It is my privilege to present these petitions to you, Mr. Speaker.

INTRODUCTION OF BILL

UTILITY DEPOSITS INTEREST ACT

Mr. Mackenzie moved, seconded by Mr. Foulds, first reading of Bill 126, An Act to require the payment of Interest on consumers' Utility Deposits.

Motion agreed to.

Mr. Mackenzie: Mr. Speaker, the bill would require the suppliers of gas, electric power and telephone services to pay interest at the Bank of Canada prime rate on consumers' deposits. An increasing number of consumers have been required to pay deposits in advance. It is a practice with some of the hydro utilities and phone companies. A number of years ago, when guidelines for deposits were set down, the late Mr. Auld made a suggestion that possibly interest should be paid on consumers' deposits, and that is the purpose of this bill.

3:10 p.m.

RESPONSE TO WRITTEN QUESTIONS

Mr. Di Santo: Mr. Speaker, on a point of order: I placed an inquiry to the Ministry of the Solicitor General on February 1, 1983, asking for specific information about the salary of the chief forensic pathologist for the year 1983. The Solicitor General (Mr. G. W. Taylor) replied on February 22 telling me that the information was in the public accounts.

The fact is that information is related to 1982. So I placed a new question on Orders and Notices on October 19 and the ministry replied, "The ministry had nothing to add to previous responses in this regard."

I think this is a violation of the standing orders, Mr. Speaker. I would like you to look into this matter and see if the minister can so blatantly refuse to answer questions.

Mr. Speaker: That is hardly a point of order. It is beyond my authority or jurisdiction to make such an inquiry, but I am sure the minister will take notice of your question when he reads Hansard. In his absence, I am sure the government House leader will take it upon himself to advise the minister.

Mr. Wildman: Mr. Speaker, on a point of order: I believe I have a point of order with regard to standing order 81(d). I placed two questions on the order paper for the Ministry of Natural Resources on October 28. My reading of the standing order is that I should have received at least an interim reply within 14 days of the questions being placed on the order paper. To this point there has not been any response from the executive council.

Hon. Mr. Wells: Mr. Speaker, I will have a number of replies to table before six o'clock today.

ORDERS OF THE DAY

PUBLIC SECTOR PRICES AND COMPENSATION REVIEW ACT

(continued)

Resuming the adjourned debate on the motion for second reading of Bill 111, An Act to provide for the Review of Prices and Compensation in the Public Sector and for an orderly Transition to the Resumption of full Collective Bargaining.

Mr. Nixon: Mr. Speaker, I want to speak briefly on second reading of Bill 111. My colleagues and I are going to be supporting the bill even though it is relatively innocuous and does not respond to some of the real problems we have.

I notice the Treasurer (Mr. Grossman) is just starting his afternoon kaffeeklatsch. I do not know whether I can penetrate that inner circle or not, so while you are waiting for your relief, Mr. Speaker, I will speak directly to you.

The bill itself is fairly lengthy and substantially wordy to accomplish little or nothing but transfer away from the government its responsibilities, which it assumed last year to have some control over the economy at least to the extent of limiting inflation.

Frankly, I feel the guidelines themselves, having been established by the government of Canada a year ago for five per cent inflation controls this year, are eminently supportable. It is amazing that the government of Canada, with the contributions of some of the senior senators, was able to predict this year that the five per cent level of inflation would be established in this province and across the country. Therefore, the Treasurer is reflecting that good judgement when he establishes a five per cent growth rate in general expenditures for the government itself.

My substantial regret is that for all its careful politics, for all the care with which the Treasurer

has drawn the bill so no one can point a trembling finger at him, he has not done very much to correct the shortcomings of last year's bill nor to do what I think should be done to assist certain levels of our economy with their continuing problems.

For example, inflation has had a tremendous effect on the farming community. The Treasurer himself, in an outpouring of interest in things agricultural, donned his rubber boots, ploughed into a feed lot a few weeks ago and dispossessed the Minister of Agriculture and Food (Mr. Timbrell) as the principal spokesman for the economy of farming.

I think it is almost cruel he should do that. The minister of agriculture has tried for so many months with such great difficulty to make an impact on the farm community. Here we have this chap from the depths of downtown Toronto, not even as far removed as Don Mills, who goes out and captures the love and affection of so many farmers with just a mere nod of his head.

The fact he was effective in this is because I believe the Treasurer is seen to be one of the few cabinet ministers whose opinions and argumentative prowess have an impact on his colleagues. For a long time we have felt the cabinet, which normally occupies these many empty seats—I guess 29 actual, real, live cabinet ministers could be here. We are actually paying all those cabinet ministers \$64,000 plus enough plastic to see them in good meals, plus a car and driver. Most of those people are probably now out sitting in the back seats of their cars listening to some CBC music program to fill in the hours when they could have been here participating in this debate and even supporting the Treasurer.

When the Treasurer did go out and talk to the farmers, I thought somehow, even through his few little comments, he said the right thing; an indication we were not going to permit, for example, the beef section of our agriculture industry to be lost simply because the pressures from Alberta and Quebec are so powerful that many of our beef farmers feel they can no longer participate. This is not the approach of the minister's colleague the minister of agriculture and certainly not of the deputy minister of agriculture who has said publicly that a large proportion of the beef farmers are going to have to get into some other kind of farming or get out of agriculture completely.

My point is this, while the Treasurer is imposing a five per cent limit on the public service, and we are getting a certain number of complaints back that this is cruel, unusual,

unfair and all of the usual balderdash about makeup requirements, a large segment of our agricultural economy would be delighted even to have prices as good as they were last year, let alone have a five per cent increase.

It seems to me the Treasurer might give some serious consideration, while he is mopping up the last few farm votes in the forthcoming Conservative leadership battle, to putting some flesh on his comments made a few weeks ago by bringing in some sort of an effective program that would be designed to give the sort of assistance the beef and pork farmers require so seriously at this turn of farming events as far as the economy is concerned—the pork farmers particularly; I know the minister has a particular interest in their welfare.

It really is a tragic circumstance that these farmers who were led to improve their commitment in capital funds now find their prices sagging well below last year's prices. Once again, many of them are facing the grim reality of closing out in favour of the creditors or the bank.

I want to suggest that Ontario does not compare well with Quebec and, to some extent, Manitoba and Alberta in this regard. There is a clear government policy there which is designed to favour the agricultural component, in competition particularly with Ontario, although usually it is just in competition with "other jurisdictions."

It seems to me that this bill, if it were going to have had some sort of useful effect on the community, might have had a positive segment as well as the two negative sections, wherein we would bolster the economy to the extent of a five per cent improvement at least in some selected areas of the economy where otherwise disaster certainly threatens in the next few months.

As a matter of fact, I well recall the minister's responses some months ago when in this House he introduced, or at least directed that the Minister of Revenue (Mr. Gregory) introduce, a bill increasing the tax on tobacco. Here is a farm product which has had the tax increased by something like 54 per cent in the last fairly recent period. There were few people in the Legislature who got up to protest that increase. I was one of them and I believe my colleague the member for Haldimand-Norfolk (Mr. G. I. Miller) was another, and the member for Elgin—

3:20 p.m.

Mr. McGuigan: Kent-Elgin.

Mr. Nixon: Kent-Elgin, yes. We did not hear too much from the member for Elgin (Mr. McNeil) because there was a feeling, particularly on the Conservative side, that such a large increase, well beyond any kind of a five per cent limit, would be properly justified.

When the Globe and Mail jumped on the 11.8 per cent increase in members' living allowance a few weeks ago, I was interested that it did not see that there were a number of other implications in the government's policy where increases far beyond five per cent had been imposed by the Legislature, and I felt personally with a substantial degree of inequity.

Since the imposition of this specially large new tobacco tax, the sales of tobacco have dropped off between seven and 10 per cent, depending on which emphasis on the statistics one cares to take. This is a serious matter, whether or not one believes the future of the tobacco industry lies in its expansion or its contraction down to zero because of a health hazard. We are not here to argue that at this time. It is a legal industry and it is an extremely lucrative one as far as this government is concerned.

It is interesting to note that the tobacco tax alone returns to the Treasury of Ontario almost twice the amount it spends on all its agricultural programs. In this year of so-called restraint, when the minister in last year's bill and the continuation this year has his eye set first on six per cent and then on five per cent in government expenditures, it seems to be particularly unfair that in the instance of tobacco taxes he should have been so profligate in searching out additional government revenues. "Profligate" is not the word I am trying to think of, but it will do until the other one occurs.

The other thing that concerns me is the increase in hydro rates. Whenever it is raised in the House, I notice the defenders of Ontario Hydro—and quite often the Premier (Mr. Davis) himself who has to ride herd on a number of his ministers in this connection—are quick to point out that Hydro does not count and that in this instance there are built-in costs over which there are no ways a five per cent limit could possibly apply.

I believe the same might be true of the famous 11.8 per cent increase in the cost of members' lodgings. As we know, the increase was based almost entirely on rent review decisions that are based on the legislation of the government of Ontario. This meant that some of our poor members who have difficulty finding a place to

lay their head other than in an apartment at Sutton Place or the ManuLife building or perhaps Queen's Park Estates, or whatever it is called down the street, have found that their costs for accommodation were going to be exceeded. Since the policy has always been to provide reasonable accommodation with a reasonable limit, it went up by 12 per cent to accommodate them.

Many of us do not use that amount of money at all. In my own instance, I drive back and forth to my home in the constituency, but I certainly put in my bills for gasoline. With the minister's ad valorem gas tax going up in the past year at least by leaps and bounds, I simply put in my bills to the government and I know they have gone up considerably more than six per cent. They were paid without a murmur from the Treasurer, or even from the editorial board of the *Globe and Mail*, which makes his hair, if not turn white, turn curly.

The whole thing is such a confusion when we as members of the Legislature are looking for justice, equity and consistency and we feel we have not achieved any reasonable or rational level of such consistency. I point out again the inconsistencies in the taxes imposed by the Minister of Revenue and my equal objection to the inability, even under part II of this bill, of the government to assume any special responsibility for the cost of Ontario Hydro.

There is no doubt these huge increases in cost can be attributed to bad judgement. We might call it unlucky judgement, but it is bad judgement all the same and, I suppose, bad luck in that so many of our atomic facilities have had to be reduced in their output to be replaced by the far more expensive coal-fired facilities. There is so much to be said about that because it is a major issue in the province.

As a matter of fact, just last week Ontario Hydro made its final pronouncements as to the location of the new electric power lines that are going to be built to serve southwestern Ontario. A terrible mistake will be made there if the government of Ontario does not take proper steps to avert it. If the government allows it to go forward, then once gain the Treasurer will have to rise in his place and say: "Well, of course the rates for Ontario Hydro have to go up by more than any kind of rational limit that we might impose in this House and Ontario Hydro will be excluded from any sort of control."

The Treasurer is aware that Ontario Hydro is even now planning and making its final decisions on extremely expensive high-voltage lines

to bring the power out of the Bruce atomic facility—I guess the stations are called Bruce C and D now, or Bruce B in general—into London and southwestern Ontario. However, I presume the Treasurer and his colleagues here in Toronto have never brought their attention to bear on what is being proposed.

The power is not going to go from Bruce to London. Oh, no, that would be much too simple and much too cheap. We cannot do it that way. We have to take it east to Barrie and then bring it down Highway 400 to Milton where we split it into two lines. One of these lines goes along Highway 401 and another comes south of Brantford to London. In that way we fulfil the requirement of Ontario Hydro to bring power from the Bruce Peninsula to London.

Mr. Stokes: That is section 2 of the bill.

Mr. Nixon: Of course it is. I am glad the former Speaker, the member for Lake Nipigon (Mr. Stokes), who is very quick on these matters, has perhaps in his own subtle way brought to my attention that perhaps I am straying a little bit from the principle of the bill.

However, Mr. Speaker, I will tell you Ontario Hydro should be included in the restraint. If those in the cabinet would even take a couple of minutes to look at the ridiculous decisions that have been made by Hydro or on Hydro's behalf, they would take the steps that only the cabinet can take to correct these ridiculous decisions and get Hydro on the path of common sense in the provision of electricity at cost.

Mr. McKessock: Open up the hearings again.

Mr. Nixon: Right, right, right.

I just want to mention once again, as far as these general controls are concerned, we do have political problems as well as straightforward, business-type problems. I was interested today see, I guess for the 25th consecutive day in this Legislature, a member—in this instance it happened to be the leader of the New Democratic Party—get up and read the fairly lengthy petition from the teachers of Ontario.

I suppose, to its credit, the Ontario Secondary School Teachers' Federation has a bit of a top-heavy organization when it comes to approaching the members of the Legislature. Frankly, I am sick to death of hearing the petition from the teachers calling for removal of the restraint provisions from their salaries.

They are a very effective lobby in Ontario. As a matter of fact, the president of OSSTF locally has asked the other members of the area and me to a meeting which was called before Bill 111

was brought down. The meeting has not been cancelled, so presumably the teachers are still substantially dissatisfied with its provisions.

We spend a lot of time in here listening to petitions from teachers which are repetitive and just a bit ridiculous when we see the terms of the bill itself. They are probably not too concerned about the utilization of our time. However, I do believe that in the recent past and even in the distant past the teachers have always commanded the respectful attention of members of this House as individual members. I regret this recourse to some sort of mass persuasion which I think just has a negative effect on the members of this House. Certainly it does not persuade me as to their case.

One of the areas of some concern in this bill is the area having to do with arbitration. A good many young Tory lawyers in this province have made their fortunes as arbitrators. Most of them have been successful in this by being particularly generous to the salaried part of the arbitration.

Be that as it may, I for one have supported the government in its no-strike provisions for certain segments of our public employees, particularly those associated with police and fire protection, although I am not sure firefighters are included in that provision—the Treasurer nods that they are. I have often felt it is not acceptable that people giving that sort of service and protection in the community should have the right to withdraw their services over some problems with wages. Therefore, arbitration is the only solution.

3:30 p.m.

As members of this House, we must bear in mind that if we are going to impose arbitration it has to be the kind that is seen by both sides to be free of outside interference. I know there have been many, particularly those with municipal responsibilities, who have felt the arbitrations have been so generous for police, firemen and certain others that they would much sooner face the threat of a strike and be able to bulldoze their way through, as they do in some other jurisdictions, and not be forced to pay the large increases in salaries and wages that have been called for by arbitration.

In the words of a famous politician, "We can't have it both ways." If we are going to have arbitration, we cannot tamper with the freedom of the arbitrator to make an award. I notice this bill requires—I am not sure what the Treasurer hopes to accomplish with this—that the arbitrator must make a statement as to the actual cost

of the implementation of his arbitration during the ensuing 12-month period.

Presumably, if an arbitrator is looking at the provisions of the information provided to him by the employer and those employed, it is quite clear that if they are demanding a dollar an hour or two men to a police car or whatever it happens to be, these costs are going to be part of the provision of information to the arbitrator and would be public knowledge anyway.

Section 10, made up of two or three subsections, seems to be a little elaborate for something that is in most instances a foregone conclusion. The other part of it, which requires the arbitrator to take into consideration the assets available to the employer, is quite interesting. It is difficult to determine just what he would have to take into consideration.

Let us say arbitration is being applied to the police force in the city of Brantford. Presumably, he would know that only five per cent is going to be granted to Brantford as additional assistance in meeting the possibility of increased wages; but we must presume there is no limit, or at least no limit that can be readily calculated, to the amount of money the municipality can raise from its tax base to pay for the provision of municipal services.

Is the arbitrator supposed to take into consideration that the city has to pay a certain per cent on its roads and that the city councillors may want to increase their per diem by a certain amount or whatever? I really feel that provision has little meaning, like so much of this bill.

At first glance it seems to have a bluish of reasonableness. Then when one reads it more carefully, the thing falls away into some sort of political tract. I must say a subtle and probably effective political tract, but a political tract none the less. In its basic provisions we are really saying we are getting out of the wage control business and that those people can do anything they want. We do not let policemen, firemen or hospital workers strike; aside from that, all sorts of negotiations under the labour laws of Ontario can go forward. We are not moving gradually back into that; we are simply saying they can negotiate, really, without any trammel from this House.

Of course, we are providing only five per cent, but in quite a number of instances, particularly municipal councils and school boards, they have access to their tax base, to whatever amount of money they feel in the long run they have to pay. The fact that anything over five per cent is reported back to some official who works

for the government—probably at a pretty good figure—is meaningless.

There can be some small delays while that official, the chairman of the Inflation Restraint Board, can delay an implementation until he is satisfied he has been provided with all the figures. The only thing he can do that is tough at all is report to the Treasurer that something is taking place that may be above and beyond five per cent.

There is a veiled reference to some mysterious criteria the Treasurer may see fit to announce to the House at some time in the future. My own feeling is that he may never get around to that at all. It is just there in case he may in the future want to look better politically if he toughens things up a little bit. It seems to me that if the so-called criteria were going to be of any significance they would have been in our hands as we were debating the bill. Otherwise, we have to see that the Treasurer is, without further action of this House, really completely powerless to have anything to do with wage constraint or even the resumption of fair and complete negotiations as we know them in this province.

A moment ago I was commenting about arbitration. I can assure the members that many of the heads of municipalities and people involved with municipal expenditure have said repeatedly to me that arbitration is killing them and that from their point of view the awards of arbitration have been so generous they wish there was some control. However, arbitration cannot be arbitration if somehow it is simply going to be arbitration made by the Treasurer of Ontario as to what he thinks is fair and proper. If we are going to remove the right to strike and replace it with arbitration, there cannot be something included that is going to interfere with the arbitrator's freedom of action.

I do not see anything in this bill, other than a bit of window dressing, that is going to interfere with it. My point is that even though he has to take into consideration the funds available to the municipality, the school board or the hospital board, in many cases those funds cannot be determined. The funds associated with the Treasurer's grant may be determinable, but most of these boards have access to tax funds which they then can pass on to a richer pay package if it is their decision that such should be the case.

The case of hospital boards is a different thing. Unfortunately, over the last few years most of the communities have been inveigled into handing over completely their responsibility

for the funding of hospital services to the government of Ontario. To be fair, the Minister of Health himself should be the one negotiating with the hospital employees since he is the only one who will find any money for their proper pay and services.

Mr. Haggerty: He found it for the doctors.

Mr. Nixon: The point is certainly well made by the member for Erie (Mr. Haggerty) that the doctors are a special case in this connection. Once again they are part of the political package that the Treasurer has put together, which forms this more and more elaborate and gilded vehicle in or on which he is trundling down the road of political progress.

It really is amazing the way the community has sat back and watched the Treasurer play the doctors like political fish and get credit for each stroke of the wand, each stroke of the fishing pole. It concerns me a little bit that our medical practitioners take for granted that an average income of \$100,000 is their right, and the Treasurer supports them in this.

I have no doubt that by now the figures and facts are somewhat more generous than that, although when this minister was Minister of Health, he indicated quite clearly he felt the number of doctors who were attracted to medical practice in this jurisdiction was getting much too high. Undoubtedly, this is because they have been treated very generously.

I talk to some of my acquaintances and good friends who are medical practitioners and from time to time they cast their eyes to Texas. That seems to be the real Valhalla, if not the nirvana, of medical practice. Yet it seems to me that for every five who go down there, two come back and are very glad to resume practice, with the Treasurer sending out regular cheques to them without question, and to get back to the good old, solid, guaranteed \$100,000 per year.

3:40 p.m.

I think the Treasurer was playing us a little fast and loose in his announcement that the doctors would be included this year and that they would have to starve away on just a five per cent increase. We understand that five per cent of \$100,000 is not a bad increase, compared with the five per cent that may or may not be available to the bedpan ladies in the local nursing home. That is a bit extreme in its comparison, it is true, but there is going to have to be a reckoning some day, political or otherwise, in this connection. We all know the doctors are not going to be satisfied with just

five per cent, because the Treasurer has found an additional three per cent for them just at the turn of the year, which he does not like to count since it is quite near January 1.

I was also interested to note that the doctors were making some murmurs. Just like a kind of minor earthquake, about a two on the Richter scale, one could barely hear the vibrations of the doctors trying to work themselves up to a really substantial, strong reaction. It was sort of like the New Democratic Party trying to work itself up into a lather about the provisions of Bill 111. They are deeply disappointed that it was as innocuous as it is, and so far there have been no earthquakes from them at all. However, I am told the member for Riverdale (Mr. Renwick) is getting his Richter scale hooked up and we may hear something later in the debate as they try to spin it out into Thursday.

The doctors are getting to be sort of like socialists. They assume that people are going to do something bad to them. They assume people do not like them. In some instances, I suppose, they have reasons for that assumption as a group, not as individuals. There are those who are unfair enough to think that at an average of \$100,000 per year, which is of course with all their expenses paid, maybe they do not have too much to complain about.

I mentioned a view like that once in connection with lawyers, God forbid. At that point the Attorney General (Mr. McMurtry) got up and made sort of an apology for what I had said, since he knew he would be sending out the Hansard where I said lawyers were getting too much money and he felt he might as well put in a few comments of his own. He indicated that a person like me, having nothing but a rural background, does not understand how professional people merit these huge amounts of money. It was the worst kind of put-down I had in this House for quite a while. It was sort of based on, "Well, you farmers with funny stuff on your boots, you do not understand that \$100,000 is where it all starts, just like life at 40."

I have no particular objection to this bill. I wanted specifically to express my views about arbitration. The fact is that as I go on and see the difficulties with arbitration, the problems with strikes in the public service tend to recede in their importance to me. I am just changing a little bit in that connection. There was a time when I would have thought strikes in that area of the public service were unthinkable, and I said so and came down strongly on the side of arbitration. As I have got to know the arbitra-

tors better in my older years and have seen the kind of work they do and the way they arrange for themselves to be retained by the same group in the year after, I sometimes think a strike even in the essential aspects of public service is not as unthinkable as I did, and we might as well have the blood on the streets rather than the cash in the pockets of the arbitrators.

Probably as we go further in the evolution of this process my views will change as well and I may even reach the point where I cannot support the Treasurer in any of his incarnations if he continues in that particular road.

The bill itself, however, I find extremely interesting. I find it is what I should have expected from the Treasurer, and here it is. We are going to vote for it. I do not think it is an important piece of legislation in its effect and influence on the economy of Ontario, but it is a clear indication of what the future has in store for us here.

Mr. Renwick: Mr. Speaker, I would like to join briefly in this debate on Bill 111, because there are three or four aspects of it which cause me considerable concern. The member for Brant-Oxford-Norfolk (Mr. Nixon) referred to it as innocuous. I do not share that view of the bill. I believe the Treasurer has beat a very substantial retreat, and only a new Treasurer could have beaten the retreat from the intransigent position the former Treasurer took on this whole question of riding roughshod over people's rights and over traditions of negotiation within the public service to achieve an unattainable goal based on the very false premise that in some way the fiscal and budgetary policies of this government determine to any large extent the actual way the economy functions in Canada, in this province and elsewhere in the world.

There is a kind of an arrogance about that attitude towards the role of the provincial government, but it always allows the provincial government to avoid dealing with the areas that are within its particular purview and responsibility, such as the welfare of people in the province, such as the question of unemployment within the province and the question of the availability of social services in the province. Those are legitimate concerns of the provincial government, but when it goes out into outer space and starts to deal in macroeconomics, then we find it is at the expense of those very legitimate and appropriate concerns of the provincial government.

On October 11, when the Treasurer stood in

his place and gave us his agenda, I thought that by the time this bill came before us we would have some indication of the policy and process of the government with respect to budgetary and fiscal matters to support the very limited framework of the statement made by the Treasurer on November 8, when he introduced Bill 111 into the assembly. After all, the introduction of Bill 111 is hardly the area one would expect the Treasurer to be making a major statement of position about budgetary matters.

I waited with some interest for the Treasurer to follow through on the agenda he stated to this House on October 11: "First, an economic and fiscal statement will be tabled in the third week of November. This document will include projections which set the stage for major policy decisions to be taken in the spring budget. Second, over the course of the next four or five months, we plan to table a number of prebudget papers. Each will deal with a specific issue of budgetary policy."

He then referred to the previous Treasurer's methods of dealing with these matters and went on to state: "By tabling these papers and changing their orientation, we will be sharing with members of this assembly information and analyses that have until now been kept under the hooded purview of the Treasury. The papers will provide a greatly improved basis for public discussion of budget issues as they are being developed, not after the fact."

In case of that, all we have at present when we are relating to Bill 111 is the obviously self-serving statement made by the Treasurer to indicate that Bill 179 has produced whatever significant changes have occurred in the economic life of the province to ameliorate to some degree the economic disaster we were facing a year and a year and a half ago following the 1981 election.

Of course, he had to claim credit. He had to let the previous Treasurer off the hook, as he moved on to what I hoped would be a new and more open and understanding role for the fiscal and budgetary policy of the province. We have not had anything as yet. Some may say I have jumped the gun. This is November 21 and, therefore, it is not the third week. On whatever calendar I happen to use, I would indicate that either the paper should have been tabled in the assembly last week or today if the very firm statement he was making in October were to have any meaning.

3:50 p.m.

Hon. Mr. Grossman: December.

Mr. Renwick: They keep receding.

We are being asked to accept the thesis of the policy of this government as represented by the minister's statement and the bills he has in front of us without a single supporting document of any kind. Some people can say that is a kind of debating point. It is not a debating point. They are talking about their view of what Bill 179 accomplished in the province, and they have not provided us with any of the information to support any of the statements they made when they introduced this bill. Let me move on.

The other interesting question is the one of prices. There will be other colleagues of mine who can perhaps deal with it, but I find it passing strange that in the instance of the criteria to be applied to the public sector as the balancing factor for the purposes of Bill 111 we have a provision that, "The board shall assess changes in compensation in the public sector to determine their conformity with such criteria as the Treasurer determines and report on its findings to the Treasurer" and so on. This is in section 4, which is the operative section of the bill. We also find those criteria are to be published in the Ontario Gazette so they will be publicly available.

When we move to the question of administered prices, in that part of the bill which is in total secrecy—no information is available to the public—we find a perpetuation of the provisions of the preceding bill in which the minister, in this case the Minister of Consumer and Commercial Relations (Mr. Elgie), who I did not believe was the economic expert of the province, will review prices to determine their compliance with the economic criteria established by the Minister of Consumer and Commercial Relations under this part. Those criteria will never be published in the Ontario Gazette, nor will there be any public statement in connection with them.

The government makes fools of the members of the opposition when those prices that are available for the public to find out whether they have been controlled in their administration are all ones that have been granted significant and substantial increases. When the point is made, we are immediately told: "It is not those six that caused all the trouble where the increases have occurred. Look at what we have controlled. We have controlled 1,994." I think the figure that was pulled out was 2,000. So far as I know, there is no information either about the process or the degree to which there was any scrutiny of those administered prices for which the government now takes credit for the review of administered prices being a success.

I come from Riverdale, not Missouri, but I am equally sceptical when one crosses the Don River about the government in the field of administered prices. They are kidding us. They attempted to make fools of those who brought to the attention of the public the very serious increases that had taken place in the five or six items that impinged directly on members of the public.

But I give up on the government ever coming to the point where it will accept the need in the administered price field for a public review and scrutiny of prices by a prices review board. For as long as I can recall, we have talked in this assembly about the need to have a publicly acceptable method by which prices are reviewed. I emphasize the word "reviewed." That has always been the concept of the New Democratic Party. The upfront determination of prices and the factors that determine them are important matters for the public to be aware of when they are the ones who suffer the roller coaster of economic life in Ontario under this government.

I would like to refer very briefly to the court decision that declared unconstitutional a significant part of the bill along the lines of the arguments we placed in this assembly on Bill 179. It was interesting to note that no member of the government gave a single, solitary intimation of any kind that what they were doing was constitutionally illegal, even in the face of what I believe were concerted and strong arguments pointing out the areas of concern under the Constitution.

The judges apparently searched the record to find something the government might have said that would support those parts of the bill they agreed could stand with respect to the determination of a limit on wage increases in the public sector. They went to some limit to find supporting words. I do not know to what extent the judges may have read the debates of the assembly or the arguments that were put by the opposition. There is certainly nothing in the judgement that indicates they gave much consideration to those contra arguments.

One of these days the courts will have to give a very substantive meaning to the limitation in section 1 of the charter, "subject only to such reasonable limits prescribed by law as can be demonstrably justified in a free and democratic society." One of these days the courts are going to say that the place where that demonstrable justification has to be made is on the floor of the democratic institution where the law is passed.

If the government fails to do that, then its bills will be subject to challenge.

It is not a balancing act for the judges to substitute their judgement for the argument and debate in the assembly, nor is it significant that a partisan government majority would be able to justify limitations as demonstrably necessary in this society if they were in any sense spurious, specious or self-serving with respect to that government. I look forward to that time.

I am not often given to prognostication, but I anticipate that the judges of the Court of Appeal, having granted leave to appeal in this exceptional case when there were three judges, each writing his own version of the decision and coming to a unanimous conclusion—leave was given in any event, and I suppose some day we may know why leave was given—but I do not think we need to have very great concern that in January or early in February the decision of the Divisional Court will be upheld.

I would guess the record of the Attorney General on constitutional matters at the level of the Court of Appeal of Ontario would be identical with his record at the Supreme Court of Canada. Usually, there is a significant adverse setback for those in the ministry who are responsible for the constitutionality of legislation that goes to the court and goes to the heart of the questions related to economic policy. They just do not understand it.

4 p.m.

I read the Treasurer's statement on November 8 when he introduced this bill, because quite obviously there is an attempt to justify this bill in terms which, if it were subject to a challenge in the courts, would be used by the judges to indicate they were satisfied these were reasonable limitations, demonstrably necessary in a free and democratic society. This document carefully spells out the kind of position the government lawyers would be putting before such a court.

I assume the Treasurer has taken the trouble to read the lengthy judgements of each of the three members of the Divisional Court. I am not interested so much in the fact they have held part of Bill 79 in significant part to be unconstitutional. I am very interested and will continue to be interested in the way in which the courts give body, life and substance to the freedom protected in section 2 of the Charter of Rights, the freedom of association. What that court said on a number of the factors related to the role of association of free peoples in trade unions for

the furtherance of their economic wellbeing will stand for a long time.

They are matters which have obviously agitated the government for fear that at some time the crown employees or the hospital workers will have some usual and respected right of association which will not be curtailed by inequitable legislation of this assembly. That is what has agitated them. I could possibly be wrong in 1984, but my guess will be the Court of Appeal of Ontario will decline to speculate to any great extent about what might develop in the future with respect to adding further life, substance and meaning to the right of freedom of association under the Charter of Rights.

I hope the Treasurer will table whatever documents he is going to table, particularly that so-called statement he is going to put forward as we move into the closing days of this session, because it is customary that the budget debate will wind up the session. Surely there is some responsibility on the government to provide, having said it would, the very document which will give us some indication of the government's thinking about budgetary and fiscal matters in time for that to be understood and to be a subject of debate before the assembly rises in December.

I was concerned when the Treasurer, if I heard him correctly, said his document which was to be tabled in the third week of November is now going to be tabled some time in December. Of course, the third week in December will find this House in recess. That will be in keeping with the government's wish to deny to the opposition any opportunity to debate its budgetary policy in any meaningful way.

The question of arbitration is up front and centre. What is the effect of what the Treasurer proposes when he imposes an additional term of consideration on the arbitrator and an additional responsibility in connection with arbitrations, particularly when we are dealing with those areas of the public service where there is no right to strike, where arbitration is a substitute for international obligations assumed by Canada, where arbitration is a substitute for the full force of the right to strike as a component of the freedom of association and must be a meaningful process?

I do not have any expertise in the field of arbitration. I have never conducted an arbitration hearing, nor have I ever been retained as counsel to deal in arbitration matters. Thus, I can only understand that process and the way in which it must be conducted in relation to

decisions that have been made. I think it is worth while and indeed important to take a minute or two to try to indicate to the House—I am sure it has been done before—why the question of the imposition of an additional criterion on an arbitrator is of importance to all those in the public sector who will be affected by it.

Section 10 of the bill provides, "Every act or regulation that requires or permits an issue that arises in collective bargaining by or on behalf of employees to whom this Part applies to be submitted to or determined by arbitration shall be deemed to include a provision that the arbitrator shall consider the employer's ability to pay in the light of existing provincial fiscal policy."

"The employer's ability to pay in the light of existing provincial fiscal policy" is a phrase to conjure with in the first place. If the existing provincial fiscal policy is simply the publication of the figure five per cent with some suitable wording in the Ontario Gazette, then of course it has gone a long way to raise the consciousness of the actual fears people have of what is going to happen to the process.

I must say that I certainly give the government credit if I read subsection 8(2) correctly. It is my understanding that this provision will expire with the passage of the one-year period.

I had a very serious apprehension because of the way in which the Premier had spoken on this issue in Halifax back in 1982. The Premier felt that this was an important factor inhibiting government policy.

Because of the statements made subsequent to that time as we debated Bill 179, I was afraid we were going to get indirectly a perpetuation of this idea. But because of the time limit on this bill, after which I hope the bill will die and be gone, I think the Treasurer should seriously consider whether it is at all necessary for him to insert this kind of provision.

In order to try to understand this, I have read with great interest the board of arbitration decision of Kevin M. Burkett, who was the sole arbitrator in the arbitration between the University of Toronto and the University of Toronto Faculty Association. Those hearings were held a year ago last May and the decision was given in June 1982.

Going back over a long period of time, I think he identifies very succinctly what the problem has been with respect to ability to pay in the tradition of arbitration. When he comes to deal with the paragraphs setting forth the issues as he

understand them, he states: "The primary issue between the parties"—I may interpolate that there is a lot of very in-house technical information about university salaries which I have not attempted either to understand nor do I intend to read into the debates of the assembly. I simply want to try to express my understanding of the principles involved in this vexed question of what this provision of section 10 will be doing to the arbitration process.

4:10 p.m.

I quote again from Arbitrator Burkett's statement of the issues: "The primary issue between the parties which gives rise to a number of difficult subissues relates to the association's claim for substantial 'catch-up' in addition to an amount to protect against salary erosion caused by inflation in the period since July 1, 1983. I must decide if the claim for catch-up, as put by the association, is a valid claim within the parameters set by the agreed criteria. If a claim for catch-up is a proper claim within the meaning of the criteria, I must decide if some or all of this additional amount is justified on the data which have been put before me."

Then he goes on: "If the concept of 'catch-up' is not within the scope of the agreed criteria, or, if it is, but is not warranted on a proper application of the data, then in the face of an offer which approximates the projected annual rise in the rate of inflation, ability to pay is not an issue and I do not have to concern myself with it. However, if the concept of 'catch-up' is within the scope of the criteria and if it is shown that there has been an erosion of faculty salaries, then, given an offer which comes close to the percentage increase in the operating budget for 1982-83, the meaning of the sixth criterion becomes extremely important."

In this particular arbitration, the sixth criterion was a criterion which required the arbitrator to take into account "the need for the university to operate in a responsible manner." So he sets out the one hand, and on the other hand the issues as he saw them with respect to catch-up and where the question of ability to pay is relevant and significant in the determination of that part of the arbitration.

The minister, of course, in his previous role as Minister of Health, in his negotiations with the doctors is fully conversant with the meaning of catch-up because that was the justification for the significant increases granted to the doctors a year ago. Indeed, Professor Weiler was one of the persons who came up with the justification for the government to use the criterion of

catch-up as the justification for what, to us, were unreasonable increases in the doctors' incomes.

That is the paradox, was the paradox, which we have seen. On the one hand, the now Treasurer, then Minister of Health, justified on the record, on the basis of catch-up, the salary increases to the doctors, as well as an inflationary component which is not in argument here and has nothing to do with the question of ability to pay. Of course, Dr. Weiler's report was used by the ministry for that purpose.

Here, we have the minister saying to those members of the public service who cannot strike because of acts of this Legislature that the government is going to significantly erode the concept of catch-up. This is where we part company on the bill, subject always to an ongoing debate to explain to me that my understanding of it is incorrect.

We are saying that when the doctors began a work-to-rule campaign and even the dread word "strike" was heard, the government, in its own way, although pretending to be hard-nosed, caved in. The doctors even refused, on two occasions, the importunities of the Premier of the province to back off, to participate and say, "We take our share of this burden if there is to be sharing."

No, they went ahead and they have had a gentle tap on the wrist by this Treasurer, obviously at the insistence of the Premier, in order that in some way or other, as the member for Brant-Oxford-Norfolk has said, they will retain the political support of the great majority of the doctors while irritating them a little bit. Some people call that politics, but the doctors have nowhere else to go but to vote for the Conservative Party in this province or to vote for the New Democratic Party. I guess they have accomplished that particular role.

I hope I have made the point that the "catch-up" which was the justification for the government's position with respect to the doctors had nothing to do with any balancing whatsoever as will be required in this case of the employer's, that is the government of Ontario's, ability to pay in the light of existing provincial fiscal policy; that was the decision which benefited the doctors.

It will be that turnabout by the government on this issue, by requiring this criteria, which will work to the detriment of hospital workers and to the detriment of those organizations which are much stronger than the hospital workers, namely the police and the firefighters

in the province. I think there will be serious trouble with the Police Association of Ontario.

I have listened over the years to the Police Association of Ontario. They have advanced the legitimate economic interest, but I have never heard that note of concern and anxiety which is now being expressed, both by the Metropolitan Toronto Police Association and the Police Association of Ontario. I do not know where they are going to go on the issue, so far as the courts are concerned, but I think it is a matter which should be of serious concern to the Treasurer and to his colleague the Solicitor General, and from the remote vantage point where the Attorney General views the world it should be a concern to him as well.

Having set the issues as he understood them, the arbitration chairman Kevin Burkett then dealt with the meaning of catch-up and what its effect would be. I quote from his decision, "The concept of a 'catch-up' increase to make up for past erosion of salary or wage levels relative to movement in other salary levels or to movement in the Consumer Price Index is not new to salary determination generally nor to arbitration or fact-finding reports in particular." He refers to a number of basic documents in that field.

He goes on: "The effect of not recognizing the legitimacy of 'catch-up' is to prevent a group that has fallen behind relative to others from restoring historical relationships. Because historical benchmark comparisons are used generally in salary determination, a failure to recognize the concept of 'catch-up' in the field of interest arbitration would render the process more artificial than it already is and would lead to unhealthy frustration for those employees bound by its results.

"It is not surprising, therefore, that as a general proposition, third-party neutrals will permit employees to attempt to make a case for catch-up and if a case is made, we will take this factor into account in reaching a decision."

Without elaborating at great length on the implications of arbitrator Burkett's definition of catch-up, he goes on further to say when he comes to his findings: "I am compelled to conclude on the data which has been presented to me that the economic increases made to the salaries of U of T faculty and librarians have not kept pace in recent years with the economic increases received by other salaried groups in society and, in particular, with the economic increases received by certain other groups whose

salaries are in large measure funded from the public purse."

4:20 p.m.

He goes on further to say: "The conclusion that faculty salaries have suffered substantial erosion relative to movement in the Consumer Price Index and to wages and salaries generally is irrefutable." He goes on to make his decision as to what the award would be, subject to the criterion of fiscal responsibility. I believe the Treasurer would understand that those who benefit by the penalty which people suffer by the erosion of their salaries, if one precludes catch-up considerations by an arbitrator, are governments, when they are applied in the public sector by the introduction of this particular criterion.

Fortunately, in the case of the universities, it had criteria which referred to the question of the need for the university to operate in a responsible manner. There is a dissertation in here in which he comes to this conclusion: "The unqualified and unrestricted use of the 'adjective responsible'"—as it appeared in those particular criteria—"when read in the context of a criterion governing salary determinations for a group of employees whose salaries comprise about 50 per cent of the total operating budget of an institution with finite operating funds, encompasses fiscal responsibility, and I so find."

He then goes on to stress, as best he can, and to point out the back-up problem which develops in a society which continues to impose a limitation on catch-up, inhibited as this will be by the introduction of these criteria. In this particular instance, the criteria were part of the criteria agreed between the parties to the arbitration. Where it is a fiat of government, one can be certain it is going to be much more difficult for arbitrators to relieve the inflexibility the minister is introducing into the system, so there will be a compression on the system which will not be relieved by a reasonable catch-up provision as is usually done in arbitration situations.

The Treasurer knows there is not an arbitration he can point to where the arbitrator has not taken into account that in many instances one cannot grant the catch-up all at once. Arbitrators do not operate in a vacuum. Arbitrators do not operate with an inflexible system. Arbitrators operate within a system of flexibility and concern to achieve a result through what they often refer to as this artificial process, in contradistinction to the true collective bargaining

process, in a way which will bring equity into the system.

Here we have a Treasurer who should understand these things speaking to this assembly in the name of some macroeconomic theory of this government which is totally wrong and which has produced and still produces in Ontario large numbers of unemployed persons. I understand there has been a decrease in overall unemployment—and thank God there has—but we are talking about in excess of 500,000 people in this province being unemployed at every moment of the day and night for the next five, six and seven years. That is what his projections, had he tabled them, would show.

He is trying to tell us he needs to introduce in this bill a provision that indicates that those people who are employed, who have suffered because of economic recession and other reasons a deterioration and erosion of their salaries in relation to other people on any historical tradition of it, are now going to suffer that erosion for a longer period of time. I do not believe in this society we can tolerate that kind of nonsense being called in aid of something called an economic policy of the government, because the social consequences will be very high.

We already had an exchange again today about the hospital workers who under the previous bill were subject to a penalty the government would never have been able to support. The Treasurer had enough wit to walk outside. He did not have to be other than the state politician he and many others in the assembly consider him to be to know he had to say they never will be required to pay back that money.

But there is nothing to indicate that the Treasurer's heart on that occasion is going to embrace those members of the hospitals who are subject to the Hospital Labour Disputes Arbitration Act that will permit those employees some reasonable degree of catch-up over a period of time that will place them in a proper context in the society. They are the poorest paid of the general rank of the civil service of the province.

I have mentioned what will happen within the firefighting force and the police forces. The Treasurer knows as well as I do that over the years, despite vexations and troubles, the public service represented by the police in all its branches and the firefighting services represented by the firefighters in all the branches of that service throughout the province, have been

among the most loyal and dedicated civil servants. In times of great difficulty and great stress, they have provided a public service. I think everybody, by and large, would be in agreement that their forfeiture of the right to strike must be maintained, but the countervailing institution in its place to ensure equity must also be in place.

I do not know whether I am correct. As I said, I am not knowledgeable about arbitration matters, but I did want to try to express where I think the hurt comes. It comes not on increases in line with inflation or keeping pace with the consumer price index. It comes entirely on the question of catch-up, where people who have already suffered the penalty of significant erosion in relation to their fellow citizens are now going to have some kind of a pressure cap put on the only available route that was open to them to go to arbitration in the hope that in some way or other they would be able to achieve fairness and equity.

I do not intend to go on at any greater length. I do want to mention what tends to be forgotten in the course of the relationship between policy of the provincial government and that of the federal government. We already heard the member for Brant-Oxford-Norfolk refer to the foresight and the prescience of how they could ever have thought that five per cent would be the right figure for this year as the cap on the public service salaries.

There is another part of the statement about which nothing has been done to my knowledge. A year ago, on October 27, Marc Lalonde said: "The Liberal government intends to continue its efforts to develop effective mechanisms for consultation so that the broadest range of organizations and institutions, as well as provincial governments, may participate in the continuing revision and improvement of our economic policies." I leave it there.

4:30 p.m.

Everyone in this chamber or within the sound of my voice, or those who will be reading my remarks by their bedside later on tonight in the Instant Hansard, or in the weeks or months or years to come when my friend the member for Bellwoods (Mr. McClellan) writes his biography of these days in this assembly, will realize that nothing has been done by any level of government anywhere in Canada to bring about that kind of consultation.

My last word of warning is simply this. Don't try to ape any part of or play along with any low level of consensus or agreement with what that

government of the Social Credit Party, which is really a Conservative party, in British Columbia attempted to do in that society, because it will not work in this society. The government will destroy the possibility of the kind of consensus that has existed in this province for a long time, but which is very shaky and very fragile. In the last half dozen years, the only reason that consensus has held at all has been the weight of economic depression, which has driven people into a degree of self-interest that most people do not like to have to give regard to in relation to their fellow men.

It is for those reasons we feel constrained to oppose the bill. I do not know where the bill will ultimately end up, but the government would be wise to scrap this bill and simply rely upon the traditional collective bargaining processes and the kind of economic recovery that is taking place, having nothing to do with the fiscal or budgetary policies of this province, and get on with the question of correcting the fundamental problem in this society, the lack of jobs and the lack of an educational and apprenticeship and retraining system that will permit people to find gainful employment in Ontario. That is the goal. Let us keep our eye on that goal. Let us not waste the time of the House with this kind of nonsense bill which is couched in such gobbledegook no one can understand it.

The Acting Speaker (Mr. Treleaven): The member for Huron-Bruce.

Mr. McClellan: Mr. Speaker, on a point of order: Do you determine whether there is a quorum present?

Mr. Speaker ordered the bells to be rung.

4:37 p.m.

The Deputy Speaker: A quorum is now present.

Mr. Elston: Mr. Speaker, I have a few brief remarks to make respecting the bill. I find this bill to be a masterful piece of concoction by the government. It does a couple of things the government has been trying to do for a long time, one of which is get to itself off the hook for any problems created in this province.

They usually do a fine job in pinpointing some other agency, board or government body to which to pass the responsibility for any problems. In this case, they have decided to pass on those responsibilities for any difficulties which may arise from the program to the municipalities, school boards, hospital trustees and to any one of a number of other agencies which will now do the type of work that should have been

done by the provincial government if they had the will and intestinal fortitude to do it.

It does a couple of things. It gets them off the hook with those voters who expressed the loudest and longest disagreement with the Bill 179 program because they can now truthfully say they have reinstituted at least partial collective bargaining with respect to their program.

They can also indicate they do not have to pay the extra cost of any bargaining, which is ultimately the result of this new piece of legislation. In that event, I find this bill a fine creation by a government more in tune with squirming and wriggling out of difficulties than dealing with them head on. In that sense, it probably shows a lack of will to govern the province and it certainly shows how futile they feel their thought processes are in meeting the new demands of a new age of government.

Mr. Wildman: A minute ago you said you it was masterful. Now you say they have poor thought processes.

Mr. Elston: They certainly do. They do not know how to govern, so they are passing it on to other people. This fine gentleman, the member for Algoma (Mr. Wildman), may be just a touch late in putting those two thoughts together.

4:40 p.m.

In any event, I am here to make a few comments on why I think this bill is a shameful way of dealing with the problem. It is designed to pass on the difficulties created by this government to another level of government or to boards or agencies that are responsible to the provincial government. It lets the provincial government off the hook and at the same time accomplishes a couple of other things.

One of those things is the subjugating of those municipalities, school boards and hospitals which to this time, have been very good with the financial dealings they have had to work out on their own. To a large extent they have been responsible for creating, as best they can, with the limited resources they have, a way of meeting the demands of their taxpayers and not going too far or too fast in collecting extra dollars.

This piece of legislation will ensure that municipalities will have to increase the tax burden on their respective taxpayers in one way or another to meet the new demands for funding for schools and services and for the payment of the people who work for municipalities. The provincial government can sit back and say to the rest of the people in Ontario, "We will hold

everything to five per cent," when in fact it has taken the lid off the potential increases in property taxes. The burden now falls to local politicians to shoulder any of the blame, if it can be so termed. That is an unfortunate occurrence and will be a result of this bill.

In addition, this government has established a means of bringing on a second phase in its program for governing Ontario; that is, the subjugation of a number of municipalities in this province to such an extent that they will be strapped for finances. In that way, they will be forced to go into those larger political organizations that many of us have heretofore referred to as regional organizations. Because of the weight and burden of the programs they will have to negotiate with workers and others in their areas, they will be forced to go into the sharing programs that were spoken about earlier by the Treasurer in his previous incarnation as the Minister of Health.

It is unfair to try to destroy our local organizations by passing on all these financial burdens and the political furore that is apt to come out of the legislation we are looking at right now. It seems to be regional government via the back door. The forcing of these programs on local governments will cause an awful lot of extra political turmoil at the local level.

Basically, one reason I am indicating there will be an increased financial burden on these municipalities and others at the local level is the stance of the Ministry of Municipal Affairs and Housing. They have determined, and the Treasurer has indicated, that there will be no more than a five per cent increase in their grant system. However, if we look at what is being planned by the Ministry of Municipal Affairs and Housing, we see that it will mean, as we were told by representatives of the municipality of Kirkland Lake when we attended some hearings there, the loss of a substantial number of dollars under the new funding program.

At the same time that the Treasurer speaks of maintaining a five per cent funding increase level on his allocations, he will be extracting a good number of dollars from some of those municipalities which are least able to afford a decrease in funding at the provincial level and putting them into larger centres. In the end, I fear, this government will then probably demand that a number of local municipalities amalgamate to provide some sort of "efficiencies of scale."

That is one of the main concerns I have with respect to this bill, in addition to other concerns

that were voiced by the member for Brant-Oxford-Norfolk in a more eloquent manner than I can speak.

I want to alert the people of Ontario to the way this government works, how it shirks its responsibilities and how it determines that it will not govern the province but forces it on to other people while trying to cloud that issue in the name of local autonomy and other great causes which it says it stands for. In the end, these people are ducking out of their responsibility and refusing to govern this province as they were mandated to do.

Mr. Mackenzie: Mr. Speaker, I am pleased to join my colleagues in opposing Bill 111, which is probably no surprise to anybody.

I really have some difficulty understanding the workings of the Tory party. They bring in Bill 179, and we do everything we can to fight it in this House. We are accused of conducting nothing but a major filibuster for the 60 to 90 days the fight went on a year ago. At that time we raised such issues as the unfairness, and we are reaping some of that now in some of the hospital and nursing home decisions, but the bill has not been challenged.

The fact that the bill made a scapegoat out of one group of our citizens has not been challenged. It just underlined the unfairness of the job it was intended to do, the hypocritical job of having the same effect on the private sector as there. We probably saw raises of less than what was allowed in the public sector in many of the more recent private sector contracts.

We did not see the emphasis on prices to give balance or fairness to the legislation. If we were looking for a consumer-led recovery in this province of ours, we sure as blazes were not assisting it by taking wages and money out of the lower-income workers' pockets. That is what we did to the vast majority of them.

We also face a situation in this province where we have a major gap between male and female workers, where everybody tries to be onside and says, "We all agree we should do away with this difference." We cannot get agreement in terms of equal pay for work of equal value. That becomes very clear and did become very clear with the bill my leader moved in this House just a couple of days ago.

We get put down, laughed at or argued against when we raise mandatory affirmative action programs to achieve the result of bridging or reducing the gap between men's and women's wages in Ontario. Yet the government is quick to tell us that it believes in voluntary

affirmative action programs. Despite all the plans they are making—plans, incidentally, which have been the same for the seven years I have handled the Labour estimates; they are the same in almost every set of estimates—the gap does not change. As a matter of fact, it has probably grown in the past year or two.

This particular legislation that we had not only showed its unfairness to workers in terms of prices that people have to pay but also showed very clearly what hypocrites the Tories were in terms of reducing the gap between male and female workers in this province because this bill, as much as anything else, had the direct result of affecting tens of thousands of low-income workers, the majority of whom were women, particularly in the health, hospital and nursing home field, and they are the ones who got hit hardest by the bill. What we did with Bill 179 was to increase the gap between men's and women's wages. On almost every score we want to take a look at, the bill hurts ordinary working people in Ontario.

4:50 p.m.

Probably even more interesting are the arguments that were made. I can recall the arguments made by my colleague the member for Riverdale. I tried to place a few of them, but I could not begin to match the arguments he made in terms of the rights of this legislation and what was going to happen to it when it got into the courts. I can recall some of the members across the way almost laughing at the arguments that were made and saying: "We'll see. Of course, our dear, beloved Attorney General will be able to handle any problems that exist in terms of the legality of the legislation, in terms of whether it contravenes the Charter of Rights."

It did not take very long for the challenges to start coming into the courts. I think it should be a matter of concern to all the members in this House that this government played so free and easy with considerations of the legality of the legislation. I sometimes wonder whether the driving force in maintaining power in that Tory party over there is not to find ways and means in which its members can use or misuse the laws of Ontario. That is clearly what they did with Bill 179.

Some of the comments made by the judges were rather interesting. I thought in particular that if I were either the Attorney General or the Minister of Labour in this province, I would have been devastated by the very direct criticism from the three judges themselves of those members of this government. In terms of the

Minister of Labour, and they were probably being kind to him, nothing could have been rougher than the comments made by Mr. Justice O'Leary.

He stated that it was not sufficient for a member of the government—in this case the Minister of Labour—to simply state that the government's choice of action was the most sensible choice. "If the government could justify the infringement of a guaranteed freedom in that fashion, section 1 of the Charter of Rights would be meaningless." I do not know whether this is a little joke for Conservative members, but I think it is a devastating indictment of the comments of a minister and clearly underlines the kind of arguments I heard my colleague the member for Riverdale make in this House.

On the key section of clause 13(b) of the bill, there was unanimous judgement by all three justices. I understand the Attorney General is going to appeal or may have it in the process already. Like my colleague the member for Riverdale, while admitting I have no legal background whatever, I have to wonder on what basis the minister is going to challenge or has any hope of success against the ruling of the three judges. They did not strike down the entire bill but certainly did strike down the key operative part of that bill and made very telling comments about it in the judgement that was issued. I would like to know how in blazes the Attorney General is going to get to first base with that. I do not think he is.

I sense, even from personal comments that have been made to me by some of the Tory members, something that is even more disquieting to me as a member of this House. I have asked lawyer members of the Conservative Party across the way: "How do you now react to the devastating comments of the justices about what you did in Bill 179 and the very specific comments about the Minister of Labour and the Attorney General? How do you justify it? How do you respond? What can you now say about this? We are now into a crazy appeal that does not have much chance of success."

One of the answers I got, which I think is at the core of my concern was, "Ah yes, but you must understand the public supported it." My God, how in blazes is this government governing Ontario? Is it strictly by what it thinks the public is going to support, no matter how wrong, how unfair or how illegal it is?

There are days when I really wonder whether this whole place is not some kind of game. I often think it is a bit of a loony-bin, but I

sometimes wonder whether it is not a bit of a game in terms of any real meaning or input from people who have been elected as members of this House and in terms of the role of the opposition as against the role of the government.

Let me point out that my constituency is a labour one, and I guess it is my bias. They would have an awful lot of influence with me, there is no question about that, in terms of looking at what we are doing in this House. They do not think or speak with one voice, and that has been to the Tories' advantage for an awful lot of years. However, they probably represent working people, who are 80 to 90 per cent of the people in this province. Therefore, it may give them a little more weight to begin with than some of the pressure groups in this province of ours.

However, I also want the House to know that I have had many battles royal with some of the people in my own constituency. If what they want is not only unfair but illegal as well, I am not going to support them on an issue. I have done that as recently as today in queries to my office on some specific labour matters.

That does not seem to count across the way. If they think it is what the public wants, then they bully ahead, whether it is legal or illegal, fair or not. I think we in this House should be concerned, and I do not sense a concern. I sense another bill that is a little different.

I guess my second real concern and frustration with the bill the Treasurer has brought in, Bill 111, is why he has done it and what he has done. As a labour person, I cannot do anything but tell the House exactly what most of the labour organizations that do not like the bill would say: "It is a heck of a lot better than what we had last time. There are certain things you do not do." But not one of them has any respect for it in terms of what the minister is really trying to do and why he has done it.

I know why the minister has done it this way; it is clear to everybody in this House. First, whether or not he wants to admit it, the statements of the justices had to have some effect. The minister shakes his head. I really feel sorry for him and his government. When there is that kind of decision in the courts, it must have bothered them.

I suspect one or two other little things bothered them almost as much, if not more so. I know all of a sudden we had Paul Walters and his associates up there with a petition with some 4,000 or 5,000 names on it, a majority of the Metropolitan Toronto Police force. They were

also at a press conference, something that does not normally happen, saying: "This is not right. We are not going to take it any longer."

I recall one of the quotes at that press conference: "If some of our people do not support Mr. Grossman in the next election, so be it." Once again, the Treasurer can shake his head if he wants to. Let me tell him that when one gets almost 5,000 names on a petition from members of the Metro police force, and when that same association makes it clear that he is likely to have the same kind of petition from the Ontario Provincial Police and the firemen, there are three major constituencies that could have some influence in the community which are not normally constituencies that are seen as supporters of ours. They are constituencies with which the government has always been happy and secure, feeling it has them, if not totally on side, neutralized in terms of any political activity.

We have some devastating comments by the courts and, all of a sudden, apart from the organized opposition that was there and the strong feelings of a number of the union groups, we have three major organizations coming in and saying: "You are not going to kick us in the teeth any more. You are not going to shove any more dirt down our throats. It has become too much the Tory way, recently, in terms of this kind of legislation."

What happened was that the government said: "Maybe we do want to go to the people within the next year. We had better find ways and means of cooling down any anger that might be out there in the group we are not really afraid of, most of the public sector workers or some of the other unions, because we feel we can divide them or get our usual percentage. But we sure do not want to add to any increased anger that some of these other organizations might have. Let us see if there is not some way we can get out from under."

5 p.m.

On this point I agree totally with my colleague from the Liberal Party in his remarks of a few minutes ago. The minister looked for a way out, he looked for a way of still doing the dirty work but not being held so responsible. What he came up with was a bit of a beaut. He decided we are going to limit transfer payments in terms of wages to five per cent, and that effectively transfers the responsibility on to municipalities, school boards, hospital boards and so on. They are going to have to be the bad guys and not the government this time around. It is much better that they are the bad guys than the government,

with an election maybe less than a year down the pipe.

The minister also says he is going to give some instruction to arbitrators. I see that point as being possibly one of the most dangerous parts of Bill 111 that the minister has presented.

I was expecting it, as was my colleague the member for Riverdale. I was not sure what the minister was going to come up with, but I too remember the remarks of the Premier in his speech in Halifax. I remember his anger at the arbitration board decisions on the university support staff and on the Peel Board of Education.

I remember very much the trial balloon that the member for Leeds (Mr. Runciman) floated in this House about instructions to and controls on arbitrators. While these controls are not as severe as I thought they might be, the minister has tried to set the ground rules in the guidelines. The minister has to know.

I am trying to make the argument that probably the Tories have not accepted arbitration board awards since day one. Yet they have got to know that arbitration board awards and decisions have been one of the few ways that we have broken new ground in terms of benefits and gains for working people right across Ontario. Some of the decisions have set us on the road to a slightly more fair and equitable way of life for workers in Ontario.

Arbitration boards are a tool about which we have grave reservations—I do personally—especially in the area of compulsory arbitration. Their use is also one of the avenues that I know we may have to explore if we are ever going to seriously consider getting industrial relations in a better and less adversarial position. Let me make it very clear that we are not going to do that with any mechanism until there is a little more fairness seen in the system. But that, or some variation of it, is one possibility that may have to be looked at.

The government has kicked a lot of workers in the teeth for the past two years and then to get out from under has passed the responsibility over to the municipalities and school boards. As well, it has decided it is going to start setting the ground rules for the arbitration people in Ontario. Boy, is that ever playing dirty pool.

Not only is the government putting in place—and I notice no sunset provision or ending date in this legislation, which bothers me—

Hon. Mr. Grossman: Yes there is.

Mr. Mackenzie: I am hoping that is the case. Without such a provision, the government is setting us up for the long-term use of controls

and arbitration. I get more worried every day about the private member's bill we had from the member for Leeds when I see what the minister is doing with this legislation.

I seriously wonder how we are going to get back to any effective and meaningful collective bargaining with real trust on all sides. I know full well the role that has to be played by the leadership in the trade union movement. The leaders come in because they have to have some means by which to talk to people in authority. I also know that they walk a pretty fine tightrope with many of their members over this kind of a role and that they hope to get something out of these meetings.

The minister has sat in on a number of these meetings with trade union leaders. He will perhaps recognize, as I recognize—although he may not agree with me—an increasing scepticism and, on their side, more than scepticism. What they really know is they have to do it. We may still be able to stop the worst from happening to us, but more and more it is a game. It is the very point I was trying to make. I sometimes wonder what is going on in terms of the responsibility of members in this House.

That concern and fear is there. When one runs into cases such as we have had about the hospital in Kapuskasing, the nursing home area, the cutbacks, the contracting out going on now—and it is going to become one of the most serious problems that this government faces in the next few months—it gets more and more difficult to get into any serious dialogue with working people over what might be done to achieve less confrontation in this province. The government is not giving anything in the legislation it has brought in to base any respect on.

I wonder what the government is trying to achieve. It cannot really claim credit and I have not seen many other authorities given credit for the reduction we have had in inflation. Most people will credit the lowering of the interest rates—and they are not nearly low enough yet—with having more to do with that than anything else. Most people will also say the fear of the loss of jobs is the other thing which is a very big factor. There just is no work and the government is not providing it and not coming up with programs that will provide it for people in this province.

Some of the people are worried about housing and the people who cannot get into housing and the lack of activity in providing housing at an income level people can afford. There is also the lack of activity even in dealing with some-

thing as small as how to protect people from losing their wages when a company goes out of business or gets stuck. Nothing is happening on this.

We have had two different Ministers of Labour recently. I am not sure if the member for York East, the previous Minister of Labour, was still Minister of Labour when he finally told us in one of his answers—it was not a full commitment, I will say that—that he was working all of the time on the feds to do something about bankruptcies and receiverships. One of them eventually said they would take a look at something the province might be able to do. We have not seen that yet. The fear is very great.

Let me give one example. We have a small plant in Hamilton that the whistle should probably have been blown on a long time ago. It is Grimsby Diesel, where 17 workers were not paid for the month of August and continued working because they were really given a con job by the owner about refinancing that was going to come on and how he was going to a variety of people for refinancing and that they had a potentially good, viable operation.

They were not paid for September and even the company's lawyer got in on it because by this time the owner of the company was in some trouble over another firm he had been involved with. He eventually ended up with fraud charges against him and was convicted in court just within the last matter of weeks. They worked up until October 7 and they did not get a pay cheque for August, September or seven days into October. It finally became too much even for them.

Yet when they came to me they wanted to hold back on raising a public stink about it. They wanted to hold back on any charges through the Employment Standards Act—they are involved in it now, and just involved in it—in the desperate hope that somehow or other the financing might be worked out and their firm might continue in operation. That is just one of the more drastic examples.

There are any number of people who are getting hurt in terms of plant closures, shutdowns, receiverships and bankruptcy, but we are doing nothing in this province to help these workers. These are the same workers, where they are organized, who are faced with the results of the kind of legislation this government is bringing in.

We have a situation such as Allen Industries where there are more than 200 workers in Hamilton hoping that something could be done

to save their jobs. They saw half their plant go when the fibre division closed last April in Stoney Creek. At that time, the other half of the company was supposed to be in reasonably good shape. The fibre division went down to some plant in Virginia. What happens? We find now that the company is preparing to take the equipment out. The 200-plus workers in this plant have been given the date when they will be finished.

The company has refused to answer the specific questions they have asked. We did get a meeting between the Minister of Labour and the union and then I think he met with the company officials. We got nowhere. We did not even get answers to the specific questions those workers asked, and this is since the example of Consolidated-Bathurst that I have used a number of times in this House.

5:10 p.m.

What do we find now? The workers in that plant tell me that they are actually going through configurations of the machinery as to how it might be used more efficiently when it is moved down to Mexico. I think the town is Chihuahua in Mexico. The orders that still remain—Volkswagen, General Motors and Ford—will be supplied from the Mexican plant. That in itself is part of the rationalization system that is going on in this province. I think it is sick but we have it going on almost every day.

What bothers me is that the workers in that plant cannot get answers to the specific questions they are asking. Then we wonder also why we do not have the trust and why it is so awful when the government brings in the kind of legislation we have before us now in Bill 111, which is a slightly watered-down version of Bill 179, it just transfers the responsibility.

We run into other plants. The member for Oxford (Mr. Treleaven) will be well aware of one that we probably would have asked a question on, that we may well yet ask a question on in the House in the next day or two and that we certainly will raise again in the estimates on Wednesday. During the estimates last Wednesday, I went at some length into some of the shortcomings in the severance pay legislation which, in fact, is a joke. But it was one of the things that was supposedly put there as part of the safety network, or whatever one wants to call it, for the workers who are the ones who are having to pay the price of the rationalization that is going on in Ontario today.

What is happening in this latest case, the Gardner-Denver Canada Inc. plant in Woodstock,

where the employees have been told they will be finished in January? Incidentally, they may be finished long before January as a result of demonstrations outside that plant within the last two or three days. Very late on Friday night, according to what I was told by many of the employees, three trucks took loads of machinery out of the plant.

This Gardner-Denver plant was taken over by Cooper. There are 54 people in the plant, including the manager. The company is now saying it is going to take a couple of people with it and two of them are actually only part-time workers. They have an excuse for two others so that the actual layoff figure is going to be only 48. Therefore, of course, they do not have to pay the proper severance pay because the figure will be under 50.

If this was the only example, fine; but it is not. We are getting varieties of this almost every day of the week. That is bothering me.

I guess it is incidental that the production of the silent compressors that they make at this plant will end on December 22, if it does not end sooner, and will be moved to the United States, to Roanoke, Virginia. They have a nonsilent compressor, but they have a substantial backlog of orders and probably no production will take place for some long time. However, they have told the workers they might do the production on these in Sudbury and that would probably be a benefit. It might be the only fine thing I could see out of the whole picture of this plant. But God knows when we will see any production of these, if we do at all, in Sudbury.

Here we have a situation where once again this takeover by Cooper, as I understand it, had to be approved by the Foreign Investment Review Agency. It really makes me wonder at the paranoia of some of the members over there in terms of the damage or danger of FIRA. I have not heard yet that they have prevented the loss of Canadian jobs or have done very much to stop the takeover by an American or international corporation that in all too many cases ends up within a matter of two or three years. I might point out they just took over in 1979 a firm that had been in business for a fair amount of time. What did they take it over for? To shut it down? It does seriously raise the question.

I am sure people will find all kinds of arguments that say that is not so, but it really has to make one wonder, especially when one is getting such cases monthly and weekly in this province. We also have them playing around with the final severance pay of the workers, so

they are less than 50 and so they can get away without paying them—this is what they have offered; let me put it on the record.

The Deputy Speaker: As the member proceeds to do that, can I remind him I have been giving fair latitude to debate away from the bill but I wonder if we could home back—

Mr. Mackenzie: Mr. Speaker, what I am doing, or trying to do and maybe not that well, is point out we are being hit with Bill 111. We have just come out of Bill 179. We have the government asking for some understanding and fairness and we have workers saying the same thing with a heck of a lot more reason. These are some of the reasons for it.

The safety network that is there which is supposed to stop workers from being hurt is not serving the purpose. In this case, the company is offering the hourly workers \$175 for each year of service. If they qualified under the severance pay legislation, section 40a of the Employment Standards Act, each of the workers would get \$475 for each year of service. I raise that to point out \$175 as against \$475. There is a substantial profit even there in terms of the company being able to deliberately undermine the severance pay legislation in Ontario.

The Deputy Speaker: The point I was making for the member, while he is taking a pause, is that the bill deals with the public sector. We did appreciate comments that might help, but I think we do have to come back to the bill.

Mr. Mackenzie: I am sure the Speaker is well aware that while the bill is directly aimed at the public sector there have been adequate comments from ministers and from the government side of the House as to their hope this bill will have the effect—the real purpose of this bill is to affect all workers in Ontario and the private sector as well. Certainly, it is having exactly that effect on private sector workers as well as on public sector workers in Ontario.

I suppose there is some question in some people's minds as to whether they are public or private sector in terms of the nursing homes, but we have the same thing happening there. Not only are they mostly effectively controlled by the legislation, but nobody has got hurt more than that group of people at the lowest wage level in our communities. There are firms like Medox. Is it a division of Drake in the US, with computers and advertising—a huge conglomerate? It is running Medox and offering to support workers at \$6.75 an hour. That is what its offer was in at least two of the nursing homes. That

the agency that was to be used. That they will then get from \$4.25 to \$4.75 an hour says to me that somebody is making one hell of a \$2-an-hour ripoff in a private firm that contributes absolutely nothing.

There is that kind of ripoff there, but at the same time there is the nursing home that may, through the workers' struggles—and organizing nursing homes is one of the toughest fights in the trade union field—have finally organized, achieved one, two or three contracts and got their wages up to \$8.75 an hour plus benefits. They may be in roughly the \$10 range, still in most cases slightly less than hospital workers and in many cases with a tougher job than hospital workers.

These people have been zipped by the legislation and will be zipped by the new bill. These people clearly point out the unfairness and inequity in what is going on in our society today. They also raise clear questions in my mind, as they should in everybody's mind, as to the kind of profiteering and ripoff that is allowed in certain sectors.

Nothing is done about that. I do not know how one would set a \$2-per-hour income for the supplier of these workers, this big American outfit. I do not know how one would set a limit on their earnings, but they are sure as blazes getting away with murder by pocketing \$2 an hour for providing workers because people are desperate and willing to work for that kind of wage. In the process, we are deliberately undermining fair wages and fair working conditions for people in this province.

I want to point out that they are able to get away with undermining wages and working conditions like this because of legislation like Bill 179 and Bill 111. They have declared open season on public sector workers, and the concern that is there has spread into the private sector as well.

5:20 p.m.

I do not know what the final result of it all is going to be, but to me at least, what this government is doing is despicable and not justified. I will admit to being a little emotional at times, but if anything has made me really discouraged and cynical about the government of the province, it has been the legislation we have gone through in the last couple of years.

I happen to love this province. It is mine and it is the place where I would like to bring up my kids. I am not proud of a government that fools around with groups of workers' rights as this government has done. I am not proud of a

government that fools around without taking specific action to protect workers when they get hurt, and a lot of them are getting hurt these days.

What are we asking for? We get down to the kind of effect we are having on wages and on people who are forced into part-time jobs. We see that in a number of areas, and it bothers me. I have had a few arguments with another minister over some of the problems of our part-time and temporary help in the Liquor Control Board of Ontario stores. I know because I have had some of them bring in what they are earning in wages. Then I understand that the policies of this government are creating, apart from record unemployment and fear of the future among workers, another phenomenon.

I had trouble with one of them, but I finally got the figures from two of the agencies trying to help people in my community, in terms of the kind of people coming into them for help or for a meal. There is a soup kitchen operation in both of these places, but people are also coming in for bags of groceries because they are desperate. They gave me the total daily figures for October, usually only the cases where they helped.

I will give the figures for just two or three days. This is what is happening to them, and they were concerned. On October 5, 1981, 52 people came to one agency for help; on October 5, 1982, 63 people came and on the same day in 1983, 118 came. When I talked to the people dealing with them, they were concerned. On October 6 the figures were 58, 62 and 130 respectively; on October 7 they were 61, 65, and 135, going back over the last three years.

Taking the other agency, I will use total figures. I will go back a year ago to August 1982: single parent, two-parent family, couple young, couple middle, couple senior, youth single, single middle, single senior, with a breakdown in classifications. This was for groceries, housing, counselling and advocacy—those are very small numbers. The vast majority was for groceries and other assistance. What are the total figures of people who come to see them? In August 1982 there were 749; in August 1983, 2,788; in September 1983, in that same north-end service agency in the city of Hamilton, 3,009.

I do not know if I have the other figures here, but I also used them in the Labour estimates so I will not delay by going into them now. What is happening in terms of the lengths of time people are out of work? What is happening in terms of

the kind of people who are out of work? What they are seeing in the agencies and on welfare now is people who worked previously, who have now run out of benefits and are forced to resort to welfare assistance, and they are staying on it for an inordinately long time. Those are all things that are happening as a result of the lack of the action I think is needed in Ontario.

What do we get? We get wage restraint lowering the purchasing power even more. Because times are so tough, we know it will be felt by all workers, but the government says: "Let's direct it at the public sector. Let's make them the scapegoats," exactly as it did with Bill 179. They have not got the guts to do it themselves this time. They are going to let the municipalities take the flak if anybody does go above the five per cent.

Mr. Martel: They are not going to be as popular at the polls this year.

Mr. Mackenzie: As I said at the outset, apart from the various groups that have been pressuring them, there is no question in my mind they want to be out from under before they go to the people in an election in terms of the direct responsibility for what they are doing.

We get into an admittedly higher income group, but also a group that has become very concerned. I thought the newsletter from the Ontario separate school teachers was a good one. It might be worth reading some of it into the record here, dealing with this bill:

"Ontario's separate school teachers predicted today that government restraint legislation would unfairly penalize poorer school boards and could lead to provincial control of local bargaining." That is part of the point I am trying to make. It is also part of the danger with the arbitrator's control.

Kevin Kennedy, president of the Ontario English Catholic Teachers' Association said: "The five per cent guideline would damage the province's policy of providing equal educational opportunity. School boards with access to a large commercial tax base could raise additional funds to enable them to increase spending by more than the restraint program's five per cent guideline. These boards would have greater ability to pay, a mandatory factor for arbitrators in the restraint program, and would have an unfair advantage over assessment-poor boards."

I do not think anybody here can disagree with that argument. It is a valid one. I would be surprised if the minister or anybody else said it did not make sense.

Kennedy also said: "The spread in funds

available is now as great as \$1,000 per pupil in some school boards. Poorer boards were also hurt by being forced to cut back on programs, including the special education programs which are now being phased in under the legislation to take full effect in 1985. Resources should be shared equally."

"The consensus of media commentators and those affected directly by the government's restraint package indicates a belief that the government has cleverly shifted the responsibility from itself to the municipalities and the school boards." That is exactly the point I was making. It is pretty obvious to a heck of a number of people as I talk to them.

"By the same token, they have aimed to accomplish several other objectives, retaining control over salaries and expenditures by limiting transfer payments and limiting the actions of arbitrators." I cannot emphasize it enough. I am really concerned with the control on arbitrators. It is insidious as a means for dealing with working people and getting them under long-term control, as I see it.

"This type of indirect control applied provincially goes some way to setting up a provincial wage pattern or, in a sense, provincial control of negotiations. For those who are concerned about autonomy and local control, there is very little local control left other than to subdivide a very small piece of pie."

With the grid and with some of the benefits of increased training, I heard Margaret Wilson clearly outline to us a matter of days ago that the \$1,000 is really an illusion in terms of being able to do anything to take care of even some of the inconsistencies that now exist in terms of teachers.

To go on with this release, it says: "Clearly, the government has presented a carefully prepared package, carefully prepared to avoid having to shoulder any direct responsibility for the actions that will follow as provincial and municipal employees and teachers negotiate future agreements. The long-term difference from what Bill Bennett tried to achieve in British Columbia is not so clear. The direction clearly is to retrench and to standardize across the province."

They did not come down with the hammer the stupidity of a Bennett in BC, but in the long term they are sure aiming for exactly the same thing. I guess that is something they feel is to their credit. They were smart enough to understand that the public did accept this, but also to say, "We better do it in a way that does not make

it obvious we are kicking these people right in the teeth."

The news release continues: "For school systems, the more immediate problem for boards with limited local taxing ability is how to save programs and treat their teaching staffs with some degree of fairness. Right now in Ontario there can be as much as a \$1,000-a-student difference in the per pupil moneys of the assessment-poor boards, both public and separate, as compared to the assessment-rich boards. The latter have not necessarily been limited to very basic programs. The former, given their limited resources, have been cutting back on programs, including the special education program."

The inference we should all make there is that we can further the inequities and the kinds of programs that are offered to kids between the richer- and the poorer-funded boards with this particular legislation.

5:30 p.m.

"The real issue is the manner in which education is funded. Originally, the tax foundation plan was designed to provide equal educational opportunity through equal educational funding. It does not do so for boards which are assessment-poor, which do not have access to any large amount of commercial or industrial assessment and which cannot levy above ceilings because the residential taxpayers would be heavily penalized. Consequently, these boards do not have the ability to pay.

"By making ability to pay a mandatory consideration for arbitrators, the provincial government is evading its responsibility to handle the problems of assessment-poor boards. These boards cannot treat their teachers fairly, nor can they keep up with the programs the Ministry of Education says must be implemented, particularly in the area of special education. Ontario's methods of handling educational funding are complicated and increasingly unfair to many boards. Resources should be shared equally. The need to provide equal educational opportunities requires that we act on this matter."

Without doing a job on how specifically they are being unfairly treated, and I think they are, they have also very fairly and very effectively outlined the dangers and difficulties of this legislation and, once again, the unfairness in terms of dealing with the teaching segment of our population. I will never be convinced that the way this government has done this was anything but a shameful, dishonest and cowardly way out of the mess it got itself into as a result of legislation that was unfair and has

clearly been ruled to be illegal. More than the illegality of it, it is legislation that has not been fair to a segment of the working people in the province.

The government might even have got some credit for what it is doing in the collective bargaining scene here if there had been adequate compensating factors in terms of prices or in how it dealt with the much more well-to-do in our society, or even if there had been a little bit more fairness in the assessments or increases a group like the doctors got. None of that was there in anything this government did.

As a result, I do not think the government has earned the respect or the right to expect labour to sit down with it and take a look at alternative methods of dealing with some of the serious problems we face. I think labour has more sense of responsibility, and it probably will anyhow because it knows things have to happen in our society today to change some of the rules we operate under. But I would not feel comfortable and I do not think they will in doing it, in terms of feeling they either have respect or can expect equality, justice or fairness from this government.

I think what the government is doing is wrong. I hope the members of the House will think about it and another time around will read some of the comments of the justices. I hope Liberal Party members will come to their senses and realize they are going nowhere by supporting the government on this bill. I hope members of the House will take another serious look at the legislation and vote to see we do not further stain Ontario's name for fairness.

Mr. Boudria: Mr. Speaker, I would like to comment very briefly on the bill and on some of the ways it impacts upon my own constituency of Prescott-Russell. The minister is probably aware I have raised in this House on a number of occasions one of the great difficulties that is occurring in my constituency, the loss of assessment revenue our municipalities and our counties are experiencing.

The united counties of Prescott-Russell, together with the two school boards of our area and the town of Hawkesbury, have lost some \$826,000 worth of revenue this year alone. This decrease of revenue is very serious. In the case of the town of Hawkesbury, it represents 20 per cent of the assessment it had. It is my hope that the minister, although he has temporarily left the chamber, will read Hansard extensively and inform himself on this issue. I hope the government House leader will inform him when he gets back about these sad situations we have in that

area and the loss of revenue our municipalities are experiencing.

The reason it is important to bring this up at this time is to emphasize that we do not want the municipalities in Prescott-Russell to suffer from any loss of grants through the provisions of Bill 111. Also, of course, we want an increase in funds to be allocated to those municipalities, school boards and counties to compensate much more than five per cent. We are losing 20 per cent of our assessments.

Mr. Laughren: How is the member hoping to get more than five per cent? He is out of sync.

Mr. Boudria: I notice the member for Nickel Belt (Mr. Laughren) is paying close attention to this.

The Deputy Speaker: Order. You are doing just fine. You can continue.

Mr. Boudria: I am just indicating we need more funds either through increases as per the provisions of this bill or through increases in unconditional grants. The net effect is that we must find a mechanism in Prescott-Russell to counteract the difficulty we have had in a tremendous loss of assessment at the same time as we have increasing unemployment and increasing welfare rolls.

Mr. Laughren: Just Prescott-Russell, is that right? The member is not parochial, of course. How about the others?

Mr. Boudria: I see some of the members to my left are very jittery.

The Deputy Speaker: If the member for Nickel Belt would just listen, he might get the answer to his question.

Mr. Wrye: They are just upset when they only get eight per cent of the vote.

Mr. Boudria: I do not know how the people to my left can talk mathematics in this House when there are 22 of them and they get 30 per cent of the research funds. They are out of sync with their math over there. They work with modern math the same as the government does when it celebrates the bicentennial of 1791 in 1984. It is part of the same kind of mathematical illogic we see in this House.

The Deputy Speaker: Back to the principle of the bill.

Mr. Laughren: Mr. Speaker, on a point of order: Can the member tell us how he supports this bill?

The Deputy Speaker: That is not a point of order.

Mr. Boudria: Mr. Speaker, it is not a very good point either.

The Deputy Speaker: His comments have been out of order.

Interjections.

The Deputy Speaker: The member for Prescott-Russell will continue.

Mr. Boudria: I was discussing the tremendous loss of revenue our municipalities are experiencing and the increase in welfare rolls and unemployment in our area. This is a serious concern not only for Hawkesbury but for adjoining municipalities in that area as well.

What we see lacking in the bill is the same thing as last year, namely, a lack of commitment from the government in ensuring that Hydro rates—Hydro being one of the worst money-wasters of this province—are not included in so far as the governed prices are concerned. Health insurance rates and the Ontario Housing Corp. are others. Ontario Housing is a very important issue there because the people of Prescott-Russell have the same concern when their revenues are decreasing and they do not see any break—

Mr. Laughren: I do not see how the member can support this bill.

The Deputy Speaker: Order, the member for Nickel Belt. The member for Prescott-Russell.

Mr. Boudria: They are restless, Mr. Speaker.

We do not see any break at all in the Ontario Housing rental rates the people of our area are paying. We also have another situation at Ontario Housing which relates to what is referred to as the low end of market units. Of course, those units do not apply to those people who qualify for rent-geared-to-income housing, but they are the so-called market variety.

The market rate is not established by anything that relates to real costs. It relates rather to the shortage of available housing we have right now, especially in eastern Ontario, in the Ottawa area and in my constituency. This shortage produces a situation whereby the pressure on the market creates an increase in prices and the provincial government and Ministry of Municipal Affairs and Housing use that inflated price to arrive at their own, whether or not it has any relation to the increased cost of providing that housing. This is extremely unfair to the people with low incomes in my constituency. I would hope the government would address those issues as well.

5:40 p.m.

As well, I have a particular concern in education. While there is a provision for a five per cent increase, we have a large group of teachers pooled together at present because of last year's bill. They did not get merit pay, especially those who were over the \$35,000 limit which was imposed last year.

Mr. Wrye: That was because the New Democratic Party wouldn't let it come to a vote.

Mr. Boudria: Last year we proposed an amendment to change this, along with many other things. The House will recall our amendment on Ontario Hydro, the Ontario health insurance plan rates, Ontario Housing and so forth. However, one particular political party in this Legislature refused to allow the Liberals to introduce their very worthwhile amendments, which I am sure you, Mr. Speaker, as a member of the government party, would have supported. They were very good amendments, and I am sure many of the back-benchers over there would have loved—

Interjections.

The Deputy Speaker: Order.

Mr. Laughren: Mr. Speaker, on a point of privilege—

Mr. Rotenberg: He hasn't mentioned you by name yet.

Mr. Laughren: Mr. Speaker, I am talking about the privileges of members of the government party and not about my own privileges; they have not been abused. I think it is unfair to imply that members of the government party would have voted for the Liberal amendment when they had already indicated they would not do so.

The Deputy Speaker: I do not think that is really a point of privilege.

Mr. Boudria: It was not a point of privilege because it was not his own privilege, as you will recognize, Mr. Speaker. I would add further that it was not even a good point. Nevertheless, we know that members of this House, being objective, would have seen that the amendments we proposed were very worth while.

Of course, members of the party to our left indicated they would not allow our amendments to come to a vote. Then, being the sanctimonious people they are, they stood up afterwards and said they were the defenders of everything that was right in this Legislature. How unusual for people who refused to allow amendments that would have ensured OHIP premiums and

Hydro rates would not increase beyond five per cent.

Today, in this Legislature, they are heckling. I do not blame them. They just do not know what to do with themselves.

Mr. Martel: We know what we are doing.

Mr. Boudria: They say they know what they are doing, but those people who knew what they are doing said they would not vote in favour of any amendment, yet they allowed two of them to go forward last year and voted for them. By filibustering, they would not allow any of the others to come to a vote.

Mr. Wrye: They didn't vote for them. They couldn't have. They said the bill was unamendable.

Mr. Boudria: That is true. They said it was unamendable, but they voted for them anyway, in spite of the fact that the bill was unamendable. I do not know if "unamendable" is a word, but I guess we have modernized our language in this Legislature. I want to say, and I am sure this is another example—

The Deputy Speaker: Back to Bill 111.

Mr. Boudria: That is exactly what I am discussing: the amendments which we proposed last year, which we think should be included this year, which the government has not addressed and which the New Democratic Party purposely filibustered to prevent us from having them passed; and we are sure they would have, of course.

I think the Minister of Consumer and Commercial Relations was with us on those amendments. However, he never got the opportunity to vote for them. That is very unfortunate.

Mr. Laughren: We must have another one in there: housing, municipal, education—

Mr. Martel: And then we can write in the special grants for his area.

Mr. Boudria: Mr. Speaker, if I can just go back to the issue of restraint—

Interjections.

Mr. Boudria: It is very difficult with the group of people to my left being so jittery. In the standing committee on social development not long ago, we learned that the behaviour of people is sometimes affected by their diet and they recommended the Feingold diet. This diet, which excludes sugar and a few other things, keeps people in a better kind of mood and temper. Perhaps the members to my left did not have the benefit of a Feingold diet today or yesterday or ate too much candy over the weekend, or whatever it is they did, but they are

rather hyper at this point, Mr. Speaker, and I would hope you will do your best to control them.

We could not let this occasion go by without talking of restraint in the purest sense of the word. When we talk about restraint, I think it is important for us to refer to the report of the Provincial Auditor submitted last week. The report of the auditor addressed the issue of restraint. It addressed the restraint of the government and how this government implements restraint on everybody except itself—and its friends, of course, because it can never forget its friends.

Mr. Wrye: What are friends for?

Mr. Boudria: After all, as the member for Windsor-Sandwich (Mr. Wrye) says, "We must never forget our friends." Believe me, this government does not forget its friends. Sometimes a few people get trampled, especially people of eastern Ontario, such as the member for Lanark (Mr. Wiseman).

The member for Lanark was in favour of restraint, but it seems that others were not. He had a dispute over restraint with his deputy minister. I gather that after the dispute was terminated, the minister lost out. Having lost the initial conversation with his deputy, the minister went to see the Premier to see how this issue would be resolved.

The minister was not in favour of spending \$600,000 to have a telephone book on computer, especially when there had not even been any kind of study done to see whether it was viable. The minister was not in favour of spending money on all kinds of other projects the deputy minister wanted money spent on.

What did the minister do in all of this after disagreeing with his deputy? I think he decided that he was the boss. After all, when one is the minister, one assumes one is the boss. What are ministers for?

Unfortunately, deputy ministers are not appointed by ministers; they are appointed by the chief official of the government, the Premier. As you would, Mr. Speaker, the minister brought his disagreement with his assistant to the head honcho of the government, namely, the Premier.

To everyone's surprise, the minister was fired because he was in favour of restraint and the deputy, who was not, is still there. That is really a difficulty when one tries to put all of this scenario into the context of restraint and this government's attempts to try to save money in any sector, public, private or otherwise.

If the government were really serious about restraint, it would start cutting out some of the things it has wasted money on. The member for Ottawa South (Mr. Bennett) comes into my riding occasionally; as a matter of fact, he was there a couple of weeks ago. I would like to invite him on several occasions in the future, because he probably increases my majority by a couple hundred votes every time he comes to speak to my constituents.

Nevertheless, the member for Ottawa South, the Minister of Municipal Affairs and Housing, also preaches restraint. He came into my constituency and made a passionate speech to the local Conservative organization—

Mr. Foulds: Passionate? Claude Bennett? He can't make a passionate speech. Loud maybe, but not passionate.

5:50 p.m.

Mr. Boudria: He made a speech anyway; perhaps it was just a loud speech. He said his party had most of the ridings in eastern Ontario; only seven were not represented by Tories, but he would see to it that all of them were Tory next time. That expresses the minister's view of democracy, which means 125 Conservative members as far as he is concerned.

After he made those eloquent remarks, he talked about social services and how we must hold the line on them. I am sure the members will pay close attention to this: "M. Bennett, d'autre part, a laissé entendre que son ministère poursuivrait une ligne plus dure en ce qui concerne l'aide sociale, et j'é cite: 'Nous ne répondrons pas aux caprices de tout le monde.' Fin de la citation."

The Minister of Municipal Affairs and Housing says: "We will not let people's every whim influence us in providing social services. We are going to be tough on social services." He says "une ligne plus dure." We are going to have a tougher policy on social services at the same time as he is spending a fortune renovating his own office only a few doors from here.

This is the view of restraint from the Minister of Municipal Affairs and Housing. He has expressed it in my constituency, which probably has a higher percentage of welfare cases than any other constituency in southern Ontario. It is interesting that he chose to mention that in my own riding.

If those are the kinds of speeches he is going to give to the people of Prescott-Russell, I will gladly put them in my next constituency mailing, and I want him to know that. I am sure the

welfare recipients of my riding would be more than happy to know what a kind heart and a gentle and compassionate person the member for Ottawa South is towards the welfare recipients of Prescott-Russell.

Mr. Wrye: Can we get a picture of his renovated office?

Mr. Boudria: Perhaps we should take a picture of his renovated office and put it beside a picture of his house—

Mr. Nixon: That's right. How much did they spend on that office?

The Deputy Speaker: I think we should stick to the principle of Bill 111—

Mr. Boudria: I am speaking to the principle of the bill. We are talking about restraint. The member for Ottawa South commented in my own constituency that the welfare recipients should do with less. Only two days later we heard a report about the vast amount of money being spent on renovating his own office so he could work in comfort and luxury while the people of my own riding are having to do with the crumbs given to them by this government.

The minister has a nerve to come into my riding and say they are going to be tougher on welfare cases. I think it is a disgrace for the Minister of Municipal Affairs and Housing to act that way.

In conclusion, coming back to the original thought mentioned earlier this afternoon, I want to impress again upon the Treasurer that the people of Prescott-Russell need increased funds to manage with the present budgetary requirements. I am talking of the united counties, the separate school board, the public school board and the town of Hawkesbury.

The Speaker will recall that I raised this issue in the House on November 7, when I stated that \$309,000 had been lost in the town of Hawkesbury this year alone and that this would continue. At that time, the Deputy Premier (Mr. Welch) replied to my concern about obtaining additional funds for Hawkesbury in the following way. I quote from page 2832 of Hansard:

"Mr. Speaker, I think the member will understand that we would want to have that matter investigated very carefully. I will draw his question and his concern to the attention of the Minister of Municipal Affairs and Housing."

Mr. Wrye: That's the end of that.

Mr. Boudria: That is the end of that. It is two weeks since I raised this here. It is a couple of months since this issue happened in Prescott-Russell. The Minister of Municipal Affairs and

Housing has not been back to this House to indicate what kind of emergency support will be forthcoming to those municipalities that are so hard-pressed in the constituency of Prescott-Russell.

I must reiterate just how important this is for the people of my riding. To see their tax base decrease at the same time as the welfare rolls increase, to see them losing their assessment and being threatened with not having much in the way of increases in grant money and then to see at the same time a minister coming to our area and telling them they will have to make do with less is just a little hard to swallow.

I ask the Treasurer again to shake up his colleague the Minister of Municipal Affairs and Housing and indicate to him just how serious and how urgent the needs are for eastern Ontario.

It is interesting that the member for Ottawa South comes from eastern Ontario originally. Of course, he does not live there any more. He represents an eastern Ontario riding. He probably knows where it is or, if he does not remember where his riding is, I am sure he has plenty of advisers who could refresh his memory as to exactly where Ottawa South is and where eastern Ontario is and that one does not fall off the end of the map at Bowmanville; there are a few other towns east of there.

Mr. Breagh: You don't even know where Sheffield township is. Will you stop this eastern Ontario business?

Mr. Boudria: I must admit I am not familiar with Sheffield township, but some members do not know where le canton de Longueuil is—I do not hold that against them—or where L'Orignal is, or the township of Caledonia or St. Bernardin—

Interjections.

The Deputy Speaker: Order. If this was some kind of geography debate—

Mr. Boudria: It is not a geography lesson; I am only illustrating that the government has not taken the concerns of eastern Ontario very seriously in the past. This legislation and other of our laws do not have provisions to ensure that the people of eastern Ontario, who are deprived of many things, whether one is talking about the chicken farmers of Prescott-Russell, who have become notorious to a certain extent over the past year—

Mr. Mackenzie: Why are you supporting it then?

Mr. Boudria: Why am I supporting the chicken farmers? I always support my constituents,

whether they be the chicken farmers of Prescott-Russell or the welfare recipients. If they need my assistance, I am willing to give it to them. I want the member for Hamilton East (Mr. Mackenzie) to know that if there are chicken farmers in his riding, I will help them too if they need my assistance. I will be glad to help them.

I have always provided the workers of my riding with as much help as I could. I am sure the member for Sudbury East (Mr. Martel) would know that the biggest problem with work in my riding is not having any. That is a big problem that we have in Prescott-Russell. We have very high unemployment and other difficulties.

The Deputy Speaker: In view of the hour, I wonder whether this might be an appropriate time—

Mr. Boudria: I know we are getting near the time for adjournment, Mr. Speaker. I will conclude my remarks by asking the government to provide increased grants for my community.

On motion by Mr. Philip, the debate was adjourned.

ANSWERS TO QUESTIONS IN ORDERS AND NOTICES AND RESPONSE TO PETITION

Hon. Mr. Wells: Mr. Speaker, just before the House adjourns, I would like to table the answers to questions 207 to 219, 221 to 224, 229, 233 to 263, 265 to 277, 279 to 291, 309, 330, 331, 334, 335, 341, 342, 343, 346, 347, 355, and the interim response to a petition presented to the Legislature, sessional paper 205 [see Hansard for Friday, November 25].

BUSINESS OF THE HOUSE

Hon. Mr. Wells: Mr. Speaker, I might also indicate, as I indicated on Friday just before we adjourned, that we will continue tomorrow afternoon with the debate on second reading of Bill 111. Tomorrow evening at eight o'clock, we will begin with third readings on the order paper; private bills; then committee of the whole on Bill 92; second reading and committee of the whole, if required, on Bills 106 and 107; followed by second reading and committee of the whole, if required, on Bills 102 and 103. Then, if time permits, we will resume the budget debate. The House adjourned at 6 p.m.

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Hansard

Official Report of Debates

Legislative Assembly of Ontario

Third Session, 32nd Parliament

Tuesday, November 22, 1983

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday, November 22, 1983

The House met at 2 p.m.

Prayers.

STATEMENTS BY THE MINISTRY

FISHERIES PROJECTS

Hon. Mr. Pope: Mr. Speaker, today I would like to tell the House about my ministry's latest fisheries rehabilitation and stocking programs, particularly our expanded pickerel culture efforts and increased lake trout and splake stocking in eastern Ontario.

My ministry is dedicated to conserving and preserving our valuable fisheries resources throughout Ontario. The projects I am announcing today are consistent with that goal and will further expand our capabilities to maintain a high-quality sports fishing experience in this province.

First of all, we are proceeding with development of hatchery facilities in North Bay, Harwood near Rice Lake, Blue Jay Creek on Manitoulin Island and the Lake Simcoe area. In the Lake Simcoe area, we will continue to review any proposed development that might have a negative impact on the fisheries.

As members know, the yellow pickerel is probably the most valued sports fish species in Ontario and is particularly important to the tourist trade. As a result, it has also faced heavy fishing pressure in many areas of the province, particularly in eastern Ontario. To alleviate that pressure, we are developing government pickerel facilities in eastern and northwestern Ontario and in the Lake Nipissing area.

With these expanded pickerel facilities, my ministry will be directly involved in three major stocking projects in 1984-85. We will stock 100,000 fingerlings over five years in nine lakes in the Carleton Place, Tweed and Napanee districts in eastern Ontario. We will increase stocking in the Moon River in Parry Sound district from 50,000 fingerlings a year to 200,000 fingerlings a year over five years, using stock from the Skeleton Lake and White Lake fish culture stations. We will stock up to 500,000 fingerlings in northwestern Ontario, and again we will carry out stocking and assessment over five years.

I am confident that we will be able to rear larger, better quality pickerel and to pass our knowledge on to other fish culture stations throughout the province. These fish would provide excellent stock for future ministry stocking programs as well as several community fisheries involvement projects.

I anticipate an increased public interest and awareness in our fisheries management programs and have therefore doubled the amount of funding available to the community fisheries involvement program. I am sure honourable members can appreciate how important this volunteer help is to my ministry in the current atmosphere of constraint. Every dollar we contribute is more than matched by the volunteer labour and donations from sports clubs. The increased funding will allow us to extend our support to co-operating tourist operators, conservation and angling clubs, all those most interested and involved in our sports fishery.

For example, we have a project under way that involves pickerel stocking. It is taking place in the Parry Sound district, where the Loring-Restoule Vacationland group of tourist camp operations are developing and managing three to four ponds. They expect to raise 100,000 fingerlings for stocking in the Pickerel River.

Next year we are expecting at least an additional six pickerel culture projects under the community fisheries involvement program.

We want our sports clubs to get involved in our pickerel rehabilitation efforts through the community fisheries involvement program.

These types of projects now qualify for limited capital funding assistance and technical support, but the project proposals must be combined with habitat restoration programs and a reduction in total harvest in areas which have been subject to heavy fishing pressure.

Also, I would like to briefly review our eastern Ontario fish stocking initiatives and outline a few of the programs we will develop next year.

Last spring, we were unable to meet our lake trout and splake stocking targets for eastern Ontario because of a restricted supply of these species and limited hatchery rearing space. This year, I am pleased to report that we will be able

to meet virtually all inland lake trout and splake stocking requirements in our eastern and Algonquin regions. The new hatcheries facilities we are developing will aid us in these efforts. I believe this is an important initiative.

Tourism is an important industry in eastern Ontario, one that relies largely on top-quality fishing. Yet fish stocks are declining because of fishing pressure and habitat deterioration. Because of this, we are rapidly accelerating our stocking efforts in eastern Ontario inland waters involving pickerel as well as a variety of other species. Next year, we will double the amount of stocking in these important inland waters. As a result, tourist operators in eastern Ontario will be able to offer clients a better fishing experience.

We will make comparable lake trout stocking increases in the Algonquin region.

We have selected nine candidate lakes in eastern Ontario for pickerel stocking, and we have identified seven rivers or lakes for pickerel stocking in the Algonquin region.

As well, we are encouraging fisheries involvement projects to provide other opportunities for pickerel rearing and stocking in eastern Ontario, and I know several clubs are already interested and involved.

In all, we are talking about a major expansion of our management programs designed to meet the needs of all Ontario's sports fishermen.

I am particularly proud of these co-operative ventures with sportsmen throughout the province, and I look forward to more joint projects since they underscore the guiding principle of my ministry: conservation and preservation of our natural resources within an atmosphere of co-operative partnership.

I think that what I have announced today illustrates two important points: that my ministry is committed to maintaining and improving Ontario's fisheries, and that we are listening to those who use the resource.

2:10 p.m.

ROYAL VISIT

Hon. Mr. Wells: Mr. Speaker, I am pleased to be able to inform the members of the House that we have been advised today by the Governor General of Canada that Her Majesty the Queen and His Royal Highness the Duke of Edinburgh have graciously accepted the Ontario government's invitation to visit Ontario.

[Applause]

Hon. Mr. Wells: My friends had better listen to the reason she is coming. She is coming to

participate in our provincial bicentennial celebrations in 1984.

Mr. Kerrio: Which date are you giving her?

Mr. Breithaupt: Will she canvass in Scarborough?

Interjections.

Mr. Speaker: Order.

Hon. Mr. Wells: My friends had better listen; this is the important part. The royal visit is scheduled for the second half of July. In addition to Ontario, the Queen and the Duke of Edinburgh will be visiting Manitoba and New Brunswick. The Queen last visited Manitoba in 1970, Ontario in 1973 and briefly in April 1982 for the ceremonies marking the patriation of the Constitution in Ottawa, and New Brunswick in 1976.

The itinerary of the royal visit is being planned in consultation with the federal government and Buckingham Palace officials. Details will be announced in due course. I am sure the 1984 royal visit will be a memorable experience for all of us here in Ontario as we celebrate our bicentennial.

ORAL QUESTIONS

TRAVEL COMPANIES' FAILURE

Mr. Peterson: Mr. Speaker, I offer my congratulations to the Minister of Intergovernmental Affairs for the very happy news he has brought to the House today.

I have a question for the Minister for Consumer and Commercial Relations with respect to the collapse of Chieftain and Shamrock travel firms. The minister will be aware that since April of this year Worldways and Chieftain-Shamrock have been directed by the same people and that these companies operated out of the same address.

When Mr. Caven, the registrar, was asked at a press conference last week about the recent change of control respecting Chieftain-Shamrock, an aide of his whispered to him that it was to Worldways. The registrar himself has called the president of Chieftain-Shamrock a front. Can the minister confirm in this House that Worldways controls Chieftain-Shamrock? Can he explain why a recent owner, if that is the case, would put his own company into receivership? Is the minister satisfied this is not a scam?

Hon. Mr. Elgie: Mr. Speaker, the registrar does confirm to me that Mr. Roy Moore, as I recall the name, through two companies was indeed the person who acquired Chieftain and

Shamrock in April or May 1982; I cannot recall the exact date. I have had no suggestion from him nor have I had any suggestion from anyone that there is any reason to believe there is a scam involved in that situation. I think an analysis of the whole process we went through on that would indicate that everyone acted with a fair degree of responsibility.

Mr. Peterson: My guess is that an analysis will prove exactly the contrary.

I am asking the minister about the ownership of those companies. Is it his opinion that Worldways and Chieftain-Shamrock are owned by the same people and that what we are witnessing here is a case where one arm of a company put another arm into receivership in order to be a preferred creditor and get its hands on any assets in that company, obviously to the detriment of the travel industry compensation fund and the taxpayers of this province? Is that what we are witnessing here in these circumstances?

Hon. Mr. Elgie: I do not have the exact breakdown of the corporate ownership of the companies. What I have indicated very clearly is that to the best of my knowledge, from information given to me, Mr. Roy Moore, who I understand is the president and major shareholder of Worldways, through one or two subsidiary companies, was indeed behind the takeover of Chieftain-Shamrock. But I have no reason to be believe that there has been any scam, as the Leader of the Opposition puts it, and I mean that quite sincerely.

As the honourable member knows, as a precautionary measure, the registrar put a freeze on all the assets of that company on Tuesday afternoon and the receiver is now in place dealing with them. I hope the member understands that no consumer will suffer any financial loss as a result of that. I do not know what his suggestion of a scam is, because I know of no such suggestion.

Mr. Rae: Mr. Speaker, it may be that the consumers are protected by the travel industry compensation fund, but the minister knows full well that the travel agents operating on a retail basis do take a loss.

I want to follow directly from his answer to the last question from the Leader of the Opposition and to questions that have been raised by my colleague the member for Etobicoke (Mr. Philip). The minister will know perfectly well that the assets were frozen on Tuesday afternoon. Yet travel agents who phoned in on

Wednesday, because there were rumours on the street with respect to operations of this company, were advised by the officials in the registrar's office to continue to pay money a day after the assets had been frozen.

How could that possibly be, given the fact that it was well known to the registrar there was a problem? As soon as the talks with Sunquest fell apart it was well known there was a problem. Why were consumers and small business people in the travel business, the retail agents themselves, not informed? Some of them have taken a loss as a result of what has happened. The minister knows full well they are not fully protected by the travel industry compensation fund.

Hon. Mr. Elgie: Mr. Speaker, so there is no misunderstanding, I never suggested nor would I endeavour to suggest that business people involved in their dealings with travel agents are covered by the travel industry compensation fund. It was that industry, the retailers and wholesalers, that established the travel fund to ensure that customers did not suffer. There has never been any misunderstanding on my part of the role of the fund, and I suspect there is not any on the part of the honourable member either.

With respect to the details the member has asked about, let us understand very clearly that in early October Sunquest indicated through a press announcement that it intended to acquire Chieftain-Shamrock. The member will agree, if he talks to people in the industry, that Sunquest had a good financial reputation as a travel agent. The registrar naturally therefore would feel a degree of relief with respect to that issue since he had been awaiting an audited statement from them by the end of October.

Now to get to the details. On Tuesday, when it became apparent that Sunquest had withdrawn its offer, the registrar at that time still had no definite evidence upon which he could base any actions. As a precautionary measure, he introduced a freeze on those assets while discussions were still going on with Sunquest about whether the arrangements could be reconstituted. On Wednesday that was still the case. Even when the receiver was put in place, there were still discussions going on with Sunquest. Let us understand that.

I am advised by the registrar in very clear words that on Wednesday morning callers were being told they had to judge for themselves whether or not to deal with the company. The member can nod his head—I am not sure

whether that means yes or no—but those are the facts as recorded.

Mr. Rae: That is not what he told me.

Hon. Mr. Elgie: If someone receives misinformation through some error I cannot account for that, but the registrar's instructions were that callers were to be told that.

Mr. Peterson: The minister is using the same logic he used in the trust companies affair, that depositors are not going to lose any money even though the various compensation funds have lost hundreds of millions in that affair and probably will lose a substantial amount here. The logic he is using is identical and does not justify the regulatory failure.

Is the minister aware that on October 18, 1983, Worldways took a \$5-million debenture from Chieftain-Shamrock? We have established that is another arm of the same company. At that time the amount owing was \$2.59 million. It was under this power of debenture that Worldways put Chieftain-Shamrock into receivership.

The minister is also aware that his ministry has had concerns for some considerable length of time about Chieftain-Shamrock. He requested, but never received, interim financial statements. He knew of the corporate interrelationships. Yet he did not bother to do anything about it. What has he done to investigate this regulatory failure in his own ministry? How much is it going to cost the travel agents, and ultimately the consumers of this province, through the travel industry compensation fund?

Hon. Mr. Elgie: I totally reject the conjecture made by the Leader of the Opposition that there has been a regulatory failure. There has not been, and he knows in his heart there has not been, any such failure. I reject it and I trust that common sense, when it shows its way through that thick skull that boxed a little at university, will eventually lead him to the same conclusion.
2:20 p.m.

Interjection.

Hon. Mr. Elgie: I was never involved in that wonderful sport.

He may have his own interpretation of what Worldways was doing with that process on October 18. There may be others who suggest it was endeavouring to secure some financial problems the company was having. There may be a variety of interpretations on that.

Let us also understand there is a receiver in place who has an obligation to review the workings and accountings of that company and is responsible to the courts for his duty. If the

member is worried about whether he will do that, he should say so. He should stand up and say he does not think they are acting responsibly. However, if he does accept that the court has placed a receiver in there and that there will be a reporting to the court, I suspect we should both wait and listen for that reporting.

Mr. Peterson: I do not think the ministry is acting responsibly, as usual.

Mr. Speaker: Question, please.

Mr. Peterson: That is just a response to his question, Mr. Speaker.

HOUSING PROGRAMS

Mr. Peterson: Mr. Speaker, I have a question for the Minister of Municipal Affairs and Housing. The minister will be aware of the release of the Canada Mortgage and Housing Corp. figures with respect to vacancy rates in the province, which are getting continually worse.

He will be aware that Barrie has a zero vacancy rate, Guelph has a 0.4 per cent vacancy rate, Kingston, 0.1 per cent, Hamilton, 0.8 per cent, Metro Toronto, one per cent, Ottawa, 0.3 per cent, Thunder Bay, 0.4 per cent, and Sudbury, 0.5 per cent. Indeed, it is deteriorating in almost every centre of this province. We are below the national average in terms of vacancy rates in this province.

Is the minister prepared to admit now that his announced yet never fulfilled programs with respect to encouraging and stimulating the building of housing in this province have been a complete failure?

Hon. Mr. Bennett: Mr. Speaker, absolutely not; indeed, our programs under the Ontario renter-buy program and the Ontario rental construction loan program were in both cases extremely successful.

I am aware that some of the statistics put out by CMHC indicate that vacancy rates have altered somewhat over the last quarter, in some cases up and in some cases down. One of the things they do not indicate is the number of units at present under construction in various communities across Ontario.

For example, in the city of Ottawa at this time—there are some in the surrounding communities as well but primarily in Ottawa—there are 2,500 rental units at present under construction. That indicates to us, not only from my ministry's projections but from CMHC projections, that there will be a marked improvement over the next 12 to 18 months in the vacancy rate opportunities in Ottawa. That is also appli-

cable to most communities in this province as well.

Mr. Peterson: Is the minister prepared to admit that it is absolutely no thanks to him? In May 1982, he announced \$48 million for 6,000 units in the InnoRent program. That was a solemn promise he made at the time, yet not a penny was allocated to the problem. The minister also announced a series of demonstration projects, including Ottawa which he has been talking about today. Nothing happened with that program.

All these wonderful announcements the minister has made have come to naught. He has done nothing to encourage building in this province. Indeed, we have a far more critical situation today than we did when he announced these wonderful programs.

Mr. Speaker: Question, please.

Mr. Peterson: Is the minister prepared to stand in his place now and admit that?

Hon. Mr. Bennett: The Liberal leader likes to think he has great knowledge.

We have tried in this province, through various programs, to achieve a degree of success in ownership of housing, which I think is paramount. Under the Ontario renter-buy program, we brought between 15,000 and 16,000 units into the marketplace. One of the interesting statistics of that particular operation is that over 9,000 of the people who took advantage of the renter-buy program came from rental accommodation. That is what we were trying to do. That is the area in which we were trying to succeed, getting people to move from rental accommodation to ownership. We succeeded and we did have that program in place.

Under the Ontario rental construction loan program, in the range of 15,000 to 16,000 rental units were brought on stream. We had a part to play in setting the initial rent. We also had the opportunity of taking a percentage of those units for rent-geared-to-income use. Very frankly, I think this government has gone a long way in trying to resolve the problems.

I want to emphasize once again to the Legislature and to the people of this province that the success we will have in providing rental accommodation will not be a success for the provincial government alone. It is a co-operative program. We started out in 1978 on a federal-provincial program. The way we are going to succeed in resolving some of the problems is by a joint agreement, federally and provincially, not only in Ontario but in other jurisdictions as well.

Mr. McClellan: Mr. Speaker, surely the minister realizes there is a profound housing crisis in Ottawa, Metropolitan Toronto and Sudbury, to name just three communities.

May I ask the minister whether he is aware of the very strong rumours that are now appearing in the press to the effect that the federal government, in whose basket the government has since 1978 put all its eggs for the supply of housing for low-income households, is in the process of reviewing its entire nonprofit housing program under subsection 56(1) and there are strong rumours that it intends to discontinue it?

Can the minister tell us whether he has been involved in any discussions with the federal government with respect to the future of nonprofit housing under subsection 56(1)? Just who is supposed to build and supply nonprofit or affordable housing for low-income households if the federal government bails out and leaves the government flanging in the wind?

Hon. Mr. Bennett: Mr. Speaker, I have explained to this House over the last period of time, and in estimates and other places, that we did as a government get involved with CMHC back in 1978 for the provision of nonprofit housing, public, private and through the co-ops. There was an agreement we signed. We had a very interesting agreement as to what part—

Mr. McClellan: They are going to pull the rug out from under your feet.

Hon. Mr. Bennett: Let me finish. It clearly indicates what our responsibility as a province would be in relationship to making that program work.

The member knows very well the first thing is that the federal government allocates to me, as the minister reporting for housing in Ontario, XYZ units that we then allocate back to municipal nonprofits for construction. Since 1978, that program has tried to put in place a rather substantial number of units through private nonprofit, through co-ops and through municipal nonprofit, to do two things: one, to try to provide moderate rent for those of average income, and two, to provide a percentage of the units under agreement on a rent supplement basis.

We have a program with the municipal nonprofits which very clearly spells out the number of units that can be made available to us. Back in August of this year I indicated we were prepared to increase that percentage under certain conditions. As far as the private nonprofits and co-ops are concerned, we negotiate with them

individually on the number of units they wish to make available for the rent support program.

I have heard there are reports being done for CMHC on the value of the nonprofit program across Canada, not exclusively to Ontario but across Canada. I do not know what the findings happen to be in the report, although I believe it has been filed with the minister. I did meet with the minister, along with my colleagues from across Canada, about four weeks ago right here in this city and we reviewed the program. At that time Mr. LeBlanc did not indicate to me or to my colleagues from the other provinces that there was any desire by the government of Canada to withdraw from the program. He did say very clearly an assessment and an evaluation of it was being done.

I can suggest to this House I have not heard this, other than through the newspapers, and where they get their information from I am not sure—my people within the Ministry of Municipal Affairs and Housing have been in communication with CMHC on a rather constant basis and there has been no indication either from the bureaucrats in Ottawa or the political forces in Ottawa that they are about to bail out.

Mr. Peterson: We have established the failure of the minister's programs in 1982 that were announced but not fulfilled. This year the minister will recall that he announced his great convert-to-rent program, the \$40-million stimulative package to which at this time only \$16 million has been allocated.

Is the minister aware of the failure of his own program, in that of the 24 cities eligible to participate as of October 20 he has had only 15 applications from two centres across this province? If granted, they would provide for 134 units in total across the province. Because of bureaucratic strangulation or the failure of his ministry, whatever, he has approved up to this time 22 units.

The minister has spent more in advertising his program than he has on building units. He has spent \$224,000 on convert-to-rent advertising and \$154,000 on building units.

2:30 p.m.

Mr. Speaker: Question, please.

Mr. Peterson: Is it any wonder to the minister that there is a vacancy rate crisis in this province with that kind of silliness?

Hon. Mr. Bennett: It amazes me that the member has been around this House for years and knows the system as well as anyone, but he sits there smiling because he knows he has only

been able to carve off a quarter of the situation. Their leader did not even want to face it head on, did he?

Frankly, he knows very well that the ads on the convert-to-rent and the add-on units, as I said very clearly, were to inform the people that the program was available. I would suggest to this House that there have been thousands of inquiries made of the ministry. It was very clearly spelled out and it is not a failure of the program.

I said at the start it was going to take a little while to start up because we had to have the municipality on side. The zoning has to be in agreement and if the zoning does not provide for the convert-to-rent, if the zoning does not provide for the add-on units, then it will be the responsibility of the applicant to get that approval before we are going to sanction or grant any funding for it.

We are not trying to supersede the municipality in its bylaw. That is its jurisdiction. We have tried to inform the municipality, as well as possible, of the importance of the program. As the leader knows, from London and all the other communities, they surely would not want the Minister of Municipal Affairs and Housing to disregard the zoning. I call the leader's attention to the fact that if they are to succeed it will be because they get the zoning changed.

I will have full details on the number of applications and inquiries. It is a matter of participation by the municipalities to give the applicant the opportunity to do what he or she wants.

INFLATION RESTRAINT LEGISLATION

Mr. Rae: Mr. Speaker, my question is for the Treasurer. It concerns the situation in Kapuskasing, at the Sensenbrenner Hospital. I would like to ask the Treasurer to clear up what appears to be a major discrepancy in what we have been told by different people. The Premier (Mr. Davis) said yesterday in the House, and I am quoting from his statement yesterday from the Instant Hansard: "The Treasurer has said, and it is factual, that there are discussions between the ministry, the Inflation Restraint Board and the hospital. These discussions are in process."

At 1:45 p.m. this afternoon a member of my staff was speaking to the administrator of the hospital. We have also been in constant contact with both the local union and the international union in this regard. I quote from a conversation

a member of my staff had with the administrator of the hospital:

"I have not been contacted by local politicians. I have not been contacted by the Treasurer. I have not been contacted by the Inflation Restraint Board. I have no information whatsoever." The situation is unfortunate and I sympathize fully with the workers involved.

Mr. Speaker: Question, please.

Mr. Rae: My question to the Treasurer is, what is going on here? Is he doing something about the Sensenbrenner workers or is he not?

Hon. Mr. Grossman: Mr. Speaker, let me be quite clear. The Inflation Restraint Board has been trying to set up a meeting with the hospital and with the union for later this week.

Mr. McClellan: Don't they have a telephone?

Hon. Mr. Grossman: Is he opposed to that? What is it that is troubling the member? Is it that they are having a meeting? What is it that is troubling him?

I think it goes without saying that obviously the Inflation Restraint Board has been in contact with the hospital. I am here to say to the member that there have been conversations between the Inflation Restraint Board and the hospital.

It may not have been a direct conversation between the board and the administrator, I cannot tell the member that, but I can tell him quite clearly and explicitly that there have been conversations between the Inflation Restraint Board, Treasury and Economics, the Inflation Restraint Board and the hospital, and other representatives of the government and the hospital. I believe the hospital has been trying to sit down with the union representatives at a meeting later this week.

Mr. McClellan: Exactly who? Who talked to who, Larry?

Hon. Mr. Grossman: I can give you all the information.

Mr. Speaker: Never mind the interjection.

Hon. Mr. Grossman: If the member really wants the information all he had to do was to call before two o'clock and ask us to bring the list of people, which we would be happy to do for him.

Mr. Rae: What a disgraceful performance. The Treasurer came into this House and we asked him questions on November 4. He went out and told the press—he did not have the decency to tell the House—this problem was being solved. At that point that is what was

reported in the press, that the problem was being solved.

At this time, on November 22, neither the union nor the hospital has been informed, contrary to what the minister has said today and contrary to what the Premier said yesterday. I would like to ask the Treasurer if he is making a commitment today that the workers at Sensenbrenner Hospital will not have to pay back the money the IRB has ordered they will have to pay back. Is it yes or no? It is a simple and direct question.

Hon. Mr. Grossman: I want to make it clear, perhaps even to the member, that the appropriate thing to do in this circumstance, which is a circumstance not anticipated by nor intended by the legislation, the proper—

Interjection.

Hon. Mr. Grossman: Why does the member not be quiet for a second and listen? I have made it quite clear the appropriate thing which should occur here is for the parties to get together, review the situation and do that in the context—

Mr. Martel: You said it was all worked out.

Hon. Mr. Grossman: May I say to the member for Sudbury East (Mr. Martel) that at no stage—

Mr. Rae: You totally misinformed the House.

Interjections.

Hon. Mr. Grossman: The member just wants to interject. He does not want an answer. Does he want the answer or not?

Mr. Peterson: Mr. Speaker, if I understand what the minister is saying now, he has had three different positions on this issue. On the first request, he stood in this House and bled. Then he walked outside and said he was going to clear it up. There was a subsequent question to that and he said the new legislation would take account of this situation, that they could bargain this year to make up for what they lost last year. Now he is presumably saying the parties have to get together to sort it out.

Why would the minister not use his influence and his power to bring a bill into this House immediately to clear up this situation? Surely this is not too much to ask of him.

Hon. Mr. Grossman: Mr. Speaker, perhaps I have a questioner who really wants the answer instead of a speech. Therefore, I will give it.

Might I say to the Leader of the Opposition that what we have suggested, and what I suggested at the start, was that since this was typical of the problem that might inadvertently be created by

Bill 179, we were going to a different form this year. It is our belief there is an opportunity under Bill 111 to remedy this circumstance if the parties will sit down and try to work it out.

This whole circumstance is quite complex, involving the arbitrator and certain decisions he made last summer. Might I say to the birds in the corner, because of the complexity of this we have made it clear that a great deal of analysis has to go in to figuring out how to deal with the problem so that, to be very clear, the workers do not have to pay back the money.

We want to retain the framework of restraint which some people do not want to retain, and that is the New Democratic Party, but still make sure the workers do not have to pay the money. To do that, we have asked that the parties meet to see what they can work out. We have also had the Inflation Restraint Board and my ministry working on various alternatives for all parties to consider.

I hope we will be able to find a scheme which will avoid that problem. However, at the moment we are still working on some alternatives and I think the parties may well be able to work this out between them. Let me make it clear: I consider the parties to be the Inflation Restraint Board, the hospital and the union. At a meeting which I hope will occur this week, we will see if any of the alternatives we have worked out might be acceptable to all the parties.

To make the point absolutely clear, not only for the Leader of the Opposition, who I know was interested in the answer, but also for the New Democratic Party, it is our intention to develop with the parties a mechanism whereby the workers will not have to pay back the money.

Mr. Rae: I want the record clearly established. The Premier said in this chamber yesterday that there are discussions between the ministry, the Inflation Restraint Board and the hospital. The Treasurer is now telling us these discussions were not taking place at the time the Premier said they were taking place. I think it is important for the public of Ontario to know that fact.

I would like to ask a supplementary question. The Treasurer said that what happened at Sensenbrenner was not supposed to happen, that it was never the intention it should happen. I would like to ask him if it is also the case that it was not supposed to happen at the Pine Grove Nursing Home in Woodbridge or at the Pine-wood Court Home for the Aged in Thunder Bay

or at the Van Daele Manor Nursing Home in Sault Ste. Marie?

If it was not supposed to happen, why did Mr. Biddell, at his penurious wage of \$300 a day, say the chickens were coming home to roost when the announcement was made with respect to Sensenbrenner? Why would he have made that statement if it was not the intention of the legislation in the first place?

2:40 p.m.

Hon. Mr. Grossman: Let us be clear. There were three issues raised in that question, and I intend to answer all three of them. I want to state that before the chirping starts and the member suggests the answer has been given. I am going to answer all three, and it will take more than a minute and a half.

First, Mr. Biddell has asked me to avail myself of any opportunity I get to clarify that, when he said that about chickens coming home to roost, he did not say it in the context of the union having taken certain steps and we are now paying the price for it. All of the times that has been written they have taken Mr. Biddell out of context. If the member is concerned about what he meant, he knows where to call him, and I think in fairness he should call and find out before he goes around quoting him like that.

Second, with regard to Pine Grove, which the member wants to say is in the same context, he will be interested to know that his researchers perhaps have not offered him entirely accurate information in that the Inflation Restraint Board has not ordered a wage rollback in the Pine Grove Nursing Home circumstance.

Third, since he asked his original question and wanted to let the world know—to use his words—that the Premier and I have been offering information that is not entirely correct, because the member wants to take the word of someone else he spoke to as opposed to our word, I have checked out that the Inflation Restraint Board indeed spoke to the hospital administrator yesterday. The board spoke to the administrator again today.

Perhaps after question period the member will call back the administrator and ask him specifically if the Inflation Restraint Board has had a conversation with that administrator both yesterday and today. One of the questions he raised concerned setting up a meeting with the board, the hospital and the union. If he finds that the advice given to him yesterday and today by the Premier and myself was accurate, I shall be here on Thursday afternoon and will await his rising on a point of privilege to correct his

allegations, which will have turned out to be incorrect.

Mr. Hodgson: Mr. Speaker, my question has been partly answered in the response given to the question of the leader of the third party on Pine Grove Nursing Home. I grant that the restraint board did not issue a rollback order. The owner of the nursing home took advantage of previous legislation and rolled back those wages. They are the lowest-paid workers of any place in the province at \$9,000 to \$13,000 a year. I am asking the minister, through a letter—

Mr. Breagh: The minister deserves this.

Mr. Speaker: Proceed, please.

Mr. Hodgson: This is very serious as far as those workers are concerned.

Interjections.

Mr. Hodgson: They come down to see me in my office and they are hurting and hurting really bad when they get a few hundred dollars taken off a \$9,000 wage. I am asking the minister to take a special look at it and I hope to have some kind of a report for those workers beginning next week.

Hon. Mr. Grossman: The honourable member raised this with me in a responsible and balanced way some time ago.

Mr. Martel: You should not make fun of him.

Hon. Mr. Grossman: Having done that, I had an opportunity to look at this long before it was raised by the leader of the New Democratic Party yesterday. The members might be interested in the facts. My colleague has the facts already, which is why we have been able to work on this.

Mr. Martel: Why did he ask the question then?

Interjections.

Mr. Speaker: Order.

Mr. Martel: The answer was lousy, wasn't it?

Hon. Mr. Grossman: It hurts when one cannot get a foothold on anything these days. I understand.

For those who believe this is a serious matter that warrants a response, might I say what has happened here is that the parties at the time of the arrangement made—

Mr. McClellan: We know there is a good explanation here.

Hon. Mr. Grossman: Listen to it. It is interesting.

The parties discussed the impact of the act on the increase. Interestingly, the parties themselves agreed they would make the payments in

accordance with the contract and, if necessary, would pay back the money later because of the operation of the legislation. The Inflation Restraint Board has not made a ruling in this matter and has not yet had to.

As my colleague knows, because he studied this before raising the question, the matter was raised a couple of months ago by the auditor who was auditing their contract against the Inflation Restraint Act. When that audit turned up the overpayment, the parties themselves agreed to honour their earlier agreement that the overpayment, if it had to be repaid, would be repaid. Both parties, that is, the union and the management, agreed on a recovery plan that would have had the appropriate payroll deductions made from November 1983 through to April 1984. That was all in accordance with the agreement they had at the time they entered into the contract.

In simple terms, they agreed they would proceed, notwithstanding the act, and if a repayment was appropriate, that would be undertaken. When the auditor turned up the overpayment, the parties sat down and immediately agreed they had an obligation to undertake that repayment, and that schedule was agreed upon.

What appears to have happened is that the people who had agreed to do what is appropriate, that is, abide by the legislation which was in place, have now had some second thoughts and are declining to participate in the repayment to which they had agreed, perhaps because of the publicity given to the Sensenbrenner circumstances.

Because of this, the Inflation Restraint Board will be looking at this matter to see what the appropriate activities are, given the understanding and agreements of all parties involved, which is a very responsible course.

Mr. Wildman: Mr. Speaker, on a point of order: Would you ask the Treasurer if he would please respond at some date to the questions that have been raised in this context about the people at the Van Daele Manor who have had to pay back up to \$450? He said it was academic. When is he going to—

Mr. Speaker: Order, please.

Mr. Rae: Mr. Speaker, I would just say to the minister that the information we have received from the Christian Labour Association of Canada is that in mid-October, when the IRB ordered the employer's accountant to demonstrate compliance with the act, the employer did

impose a payback order. I am quoting from a press release from the Christian Labour Association of Canada which represents the employees.

CLOSURE OF HOMES FOR DEVELOPMENTALLY HANDICAPPED

Mr. Rae: Mr. Speaker, my second question is to the acting Minister of Community and Social Services, and it is nice to see him here.

Last Friday the bargaining agent for the employees at the Metropolitan Toronto Association for the Mentally Retarded received a letter from the Metro association stating that "the purpose of this letter is to notify you in accordance with clause 1202 of the collective agreement that the association intends to lay off members of the bargaining unit." That letter was received by them on Friday, last week.

Is the minister aware that this letter is in existence? Also, is he aware of the statement by the president of the MTAMR? She says: "Our association is in a financial crisis. Our deficit is still not resolved and, to compound the problem, we have many families with urgent needs on our waiting list. Without additional funds, we cannot possibly hope to serve this group effectively in the foreseeable future."

2:50 p.m.

I would like to ask the minister how it is possible for the deinstitutionalization program to work, when it has already been criticized so heavily by the National Institute on Mental Retardation with respect to what happened in Brockville. How is it possible for it to work with this financial squeeze and crisis being experienced in the Metropolitan Toronto area, when this is the group that is going to have to act as a resource centre for people from Pine Ridge and other areas? Just what is going on?

Hon. Mr. McCaffrey: It is nice to be here. Mr. Speaker, I have a small problem and it precludes me from helping the member as much as I would like too. While the Minister of Community and Social Services, the member for Scarborough Centre (Mr. Drea), is not in the House today—

Mr. R. F. Johnston: Where is he?

Hon. Mr. McCaffrey: He is in northern Ontario seeing some of his constituents and fulfilling some obligations. He will be back tonight.

I am not aware of the letter. There are two things we can undertake to do. I can get on it right after question period, or we can wait until later this evening. The minister may be in the

assembly tonight and, most assuredly, he will be back tomorrow.

Mr. Rae: We do not sit tomorrow. We do have a question period and we have a minister who is able to travel all across the province, make all kinds of speeches and give away all kinds of money, but when it comes to question period, somehow he cannot manage to be here.

Mr. Speaker: Supplementary, please.

Mr. Rae: I would like to ask the acting minister, since I understand he is still designated to act as a spokesman and is still a spokesman for the ministry with respect to matters affecting the mentally retarded and many other people in the Legislature, in the continuing absence of the minister, who was only here for one day to make—

Mr. Speaker: Question, please.

Mr. Rae: Is the minister aware that the present waiting list of the Metropolitan Toronto Association for the Mentally Retarded contains 437 people? The high priority waiting list now numbers 60. The minister may also like to know that workshops run by the MTAMR are now running at 110 per cent capacity, according to Mrs. Shedden.

This is a fundamental question. The government plans to shut down Pine Ridge in a relatively short space of time. How is that possibly going to happen and possibly going to work with the overload being experienced by MTAMR and the financial crisis it is experiencing? Just what is he going to do about it?

Hon. Mr. McCaffrey: Let us just get a couple of things clear here first. The question could quite properly be put to me in my role either of acting Minister of Community and Social Services or, so there is no mystery, of Provincial Secretary for Social Development. I accept the legitimacy of the question and I want the member to understand that, while I do not now have knowledge of that letter, I did say to him I would undertake immediately after question period to look into that and into the second important matter he raised.

Mr. Wrye: Mr. Speaker, in the continuing absence of the minister—maybe the acting minister can find out from his colleague, since his colleague does not seem to intend to drop into this place from time to time—given the funding problems that are now coming out with the associations for the mentally retarded, given the problems of placement we are now seeing in terms of Bluewater and given the really savage attack on what the government did in closing

the St. Lawrence Regional Centre, will the minister sit down seriously and consider putting a moratorium on these closings until the ministry can get its act together?

Hon. Mr. McCaffrey: Mr. Speaker, at 7:45 this morning I was having one of a number of conversations with my colleague the Minister of Community and Social Services. He was in a motel somewhere outside Matheson, Ontario. His ability to serve the people of Ontario cannot solely be measured by whether he is in this Legislature at two o'clock in the afternoon. Let us be very clear about that. Everybody in this assembly knows him well enough to know that to be the case.

Interjections.

Mr. Speaker: Order.

Mr. Breugh: Mr. Speaker, the minister is aware that last year he sought and received endorsement from groups like the Oshawa and District Association for the Mentally Retarded for a program of deinstitutionalization, even though that meant closing centres like the Durham Centre.

For the last 18 months he has had repeated proposals submitted to the ministry for new community-based programs. Is he aware the ministry has not yet approved one of those 18 proposals, and although the Oshawa and district association now runs programs for 225 adults and has a waiting list of 61 more adults for care, not one red cent has arrived for new community-based programs for that association? What is his response to them, when last year he promised a program of deinstitutionalization and yet for 18 months he has consistently turned down their proposals? A year after they bought his bill of goods, he has not delivered one red cent for new programs.

Hon. Mr. McCaffrey: Mr. Speaker, with respect, it was not last year that the commitment was made to deinstitutionalization. As the member knows, it has a long history and the government continues to be committed to that. There is no question that we have seen in this particular period a need to accelerate the receptive capacity at the community level. After question period I will look at the details of the Durham question the member asked.

FERGUS TRAFFIC INCIDENT

Mr. Breithaupt: Mr. Speaker, I have a question for the Solicitor General that deals with a bizarre roadside incident which occurred out-

side Fergus in the early morning hours of June 6. It will take a moment to explain it.

After observing a vehicle being driven in an unsafe manner, Police Constable Ed O'Connor gave chase in a manner violating proper chase procedures, for which he has since been disciplined. Once the vehicle was apprehended, none of the three Fergus youths would admit to having driven it. As a result, the officer is alleged to have pulled one of the lads from the car, dragged him to the side of the road, drawn his gun, pointed it at the youth's head and threatened to blow his head off if he did not admit to having driven the vehicle. There are three sworn statements testifying to the officer's conduct. The three youths were subsequently charged with various offences.

The minister is likely aware of this incident. He is, therefore, also likely aware that when the police chief in Fergus first released details of the incident, no mention at all was made of a gun having been drawn, let alone placed at the youth's head. The chief's internal investigation has concluded that no criminal or Police Act charges are warranted against Officer O'Connor.

The report of the police commission on September 20 was a general inspection report of the Fergus Police Force which only parenthetically deals with the incident under the heading of general comments. It states, "No criticism can be leveled at the investigation conducted," but makes no reference whatsoever to the drawing and dangerous pointing of a gun. It makes no reference whatsoever to the fact the officer in question was convicted under the Police Act only months prior for assaulting a fellow police officer, and no mention that the town council was not notified of the event until three months after. The author of the commission report has since retired.

My question to the minister is, does the minister accept this report as the final result of the rather frightening incident, or will he consider appointing a special inquiry into all the circumstances of the June 6 incident and its subsequent handling?

Hon. G. W. Taylor: Mr. Speaker, I will ask for a report from my staff on the matter. When and after I have received that initial material, I will decide what is the best possible route to resolve the matter put forward in those questions by the honourable member.

Mr. Breithaupt: Since all charges against two of the accused were withdrawn for the promise that no civil or criminal proceedings would be launched against either the officer in question

or the police chief, and the third lad pleaded guilty to impaired driving and disobeying an officer, will the Solicitor General also inquire as to the terms of the deal that were struck between the defence attorney and the chief? Is it proper for a chief of police to exact this sort of promise whereby persons must forfeit their civil rights in the face of clearly dangerous, abusive and unlawful behaviour? Would he investigate that theme as well and report back to us?

Hon. G. W. Taylor: In the course of my review, I will try to obtain that information if possible. As some portions of it are under the jurisdiction of the Attorney General, I will enlist his co-operation to provide me with that information so I can fully explain to the member after I have received the report.

Mr. Swart: Mr. Speaker, the minister will be aware that in the Niagara region there are numerous allegations that there has been this kind of bargaining whereby the police will drop their charges if the citizens drop their charges against the police.

The minister must be aware that in the last week there has been a conviction against three police officers, with an award of \$8,000 to a citizen for the violence that was perpetrated against him. Does he agree that this kind of bargaining should not take place and, if he does, will he notify the police forces throughout this province?

Hon. G. W. Taylor: Mr. Speaker, that is an extension of the supplementary, but I will comment on the matter. I do not believe that bargaining takes place as the honourable member is suggesting it takes place, but from time to time the Attorney General (Mr. McMurtry), through the crown attorneys and the police officers looking at the merits of each individual case, sometimes does discuss the disposition and how it can best be disposed of before the courts. I do not think the situation gets down to what the member has said, which is that there is a quid pro quo for the actual negotiations that are discussed in every case before the courts.

3 p.m.

SEVERANCE PAY

Mr. Mackenzie: Mr. Speaker, I have question of the Minister of Labour, who will be aware that less than nine per cent of employees affected by permanent closure qualify for severance pay, and that is based only on plants of more than 50 employees.

At the Gardner-Denver plant in Woodstock,

the severance pay section of the Employment Standards Act is clearly being used to evade the requirements of the act. The 54 employees are being classed as only 48 employees for the purpose of the coming layoff at the plant; so that a 25-year worker is going to collect only \$4,000 instead of \$12,000.

Can the minister tell us whether he will take immediate action to amend the severance pay section of the act so that all workers in a firm that discontinues will be guaranteed severance pay?

Hon. Mr. Ramsay: Mr. Speaker, I have no intention at this time of amending the act. However, we are investigating the circumstances surrounding the firm the honourable member has brought to our attention.

Mr. Mackenzie: One could drive a truck through the loopholes in this legislation, which is something like the restraint legislation.

Given that the minister regularly expresses his distress at plant closures resulting from corporate rationalization, will he investigate and report to this House as to the profitability and viability of the Gardner-Denver plant in Woodstock? In particular, will he inform the House as to the numbers of plants closed and workers laid off this year as a result of corporate rationalization?

Hon. Mr. Ramsay: Yes, I will be happy to provide that information to the member.

Mr. Mancini: Mr. Speaker, the minister will recall that on Wednesday last, during consideration of the estimates of the Ministry of Labour, I raised this same matter concerning layoffs, severance pay and the legislation we are working under now. He may recall I asked him at that time whether he would care to review it and possibly report to the committee.

The case that has been brought forward now is just a further example in addition to many that are already available to show the minister that some people, if not actually breaking the law, are certainly abusing the spirit of the law.

Can the minister at least make a commitment that he will have this matter thoroughly looked into and report to the committee that is discussing the Labour estimates at present so we can debate this matter thoroughly, ask questions and have answers?

Hon. Mr. Ramsay: Mr. Speaker, with the greatest of respect, that has been ongoing within my ministry. It is nothing I have to make a commitment to do, because we are already doing it.

Again, with respect, I must remind the members opposite that Ontario is the only jurisdiction in North America that has severance pay legislation. I admit that it does not cover the entire work force, but it certainly is a major factor.

PAUZE LANDFILL SITE

Mr. Elston: Mr. Speaker, I have a question for the messenger from the Ministry of the Environment, as he styles himself. The minister is aware that this morning a legal action was launched against the ministry as a result of the question of the Pauzé landfill site at Perkinsfield.

Would the minister not agree that the ministry has failed to carry out its responsibilities in relation to regulating the Pauzé landfill site in view of the following matters? The ministry knew the landfill sat on porous soil and would allow chemicals to migrate from the site. It knew as early as September 1973 that there were acceptances of liquid waste on the site, yet the dumping was allowed to continue. And in 1976, when the ministry learned Pauzé was accepting even more waste, it failed to stop the practice immediately.

Hon. Mr. Brandt: No, Mr. Speaker, I would not agree that the ministry has in any way acted inappropriately. With respect to the court action suggested by some of the residents in the immediate vicinity of the Pauzé site, that is their prerogative. They can take that action and we will have an appropriate and proper response at the right time.

I would like to say to the member, and I believe he is aware of this, that the study my ministry has conducted with respect to the Pauzé site is near completion. I believe that study will point out in very clear detail some of the actions that have been taken by my ministry with respect to that site and how appropriate they are. I think the member will find the findings quite interesting when the report is finally printed and released. I have committed myself to sharing that with him at the earliest opportunity.

With respect to Pauzé, there have been a series of situations that have caused me concern. As the member knows, I visited that site. I take very seriously the circumstances of what has been happening there. I think we have taken the appropriate action up to this time.

Mr. Elston: Jean Therrien, one of the local residents about whom the minister speaks, has been diagnosed as having an arthritic type of disease similar to the deadly lupus. It is not

lupus, as the minister probably knows, but the symptoms are similar to low-level toxic chemical exposure. She and her family were allowed to drink contaminated water for almost 10 years. We also know that real estate values around the area have fallen as a result of the problems at the dump site.

Does the minister not think it is the responsibility of the Minister of the Environment to find a way to compensate Mrs. Therrien and her family for their personal difficulties and, in addition, to compensate those land owners who are forced to live in the vicinity of that dump when there is no market available for their large investments over the past few years?

Hon. Mr. Brandt: Again I would like to suggest that some of the findings as a result of the very detailed study that has been undertaken on the Pauzé site will allay some of the fears expressed by the member. The study may also correct some of the apprehensions of some of the residents in that area with respect to the leachate from the Pauzé site.

If the member will be a little patient for a matter of days, I can tell him we are coming to a conclusion with respect to the specific findings on that site. The study that has been undertaken—

Mr. Bradley: Time.

Mr. Martel: Just Xerox the answer.

Hon. Mr. Brandt: If I might, Mr. Speaker, I will be very brief. I just want to have an opportunity—

Mr. Speaker: We have just come to that conclusion.

UNILINGUAL COURT NOTICES

Mr. Wildman: Mr. Speaker, I have a question of the Attorney General. Why are notices of hearings and other important proceedings before the family court available in English only, even in areas of the province such as Algoma where there are significant numbers of unilingual francophones? Does the Attorney General agree with the Algoma children's aid society that the lack of French family court notices is a denial of the basic rights of francophone citizens in the province?

Hon. Mr. McMurtry: Mr. Speaker, I thought notices in French were available in any areas of the province where there were a significant number of French-speaking citizens. I will look into the matter and report back to the honourable member.

Mr. Wildman: In investigating this, I hope the Attorney General will check to find out why in

September, when the Algoma children's aid society ordered the following documents through the Ministry of Community and Social Services, it was informed they were available only in English: protection status review order forms for crown orders, notices of hearings, protection applications, pages 1 and 2, status review applications. All six were ordered in French, and the society was informed by the ministry that they were available only in English.

Hon. Mr. McMurtry: I will make that part of my inquiries.

3:10 p.m.

Ms. Copps: Looking at the issue of notice, Mr. Speaker, I wonder whether the Attorney General might take special notice of the concerns that were expressed to the standing committee on social development, particularly with respect to notice being given to native family members who are involved in family court cases, because there was a very serious question raised about notice not being provided and I think that community deserves special attention.

Hon. Mr. McMurtry: Yes, Mr. Speaker.

FIREFIGHTERS' APPAREL

Mr. Haggerty: Mr. Speaker, I would like to direct a question to the Solicitor General.

The minister is aware of the present serious situation concerning the safety standards now in use regarding firefighters' apparel or personal gear, the continued use of which may well endanger their lives while on duty. Can the minister inform the Legislature as to the present status of the research being carried out by the Ontario Research Foundation on improving firefighters' personal gear and when we can expect new safety standards?

Hon. G. W. Taylor: Mr. Speaker, I am watching the clock run down, and I would not want to extend it too far into the other part of the afternoon.

Very briefly, a firefighter's helmet has been approved by a group of people established under occupational health and safety legislation comprised of firefighters, fire chiefs, Ministry of Labour, and Ministry of the Solicitor General officials. That group has approved a helmet for use by all fire departments, and there is a period of time for its introduction.

Other garments are also being studied, and they are getting very close to the approval stage. All the participants in this are providing their best information. Indeed, we have been called upon by other jurisdictions, and I think we are

leaders in this field, much to our pride and that of the groups that are putting together this equipment. They are looking basically at coats, gloves and footwear at this time. In the next short while they will be approving some of those garments for use and the regulations will be changed to meet the needs of the firefighters.

INFLATION RESTRAINT LEGISLATION

Mr. Rae: On a point of privilege, Mr. Speaker: It is not exactly to correct the record, but to expand on the record. I want to make very clear what happened.

With respect to the question I raised with the Treasurer, I asked my researcher who spoke to the general administrator of the Sensenbrenner Hospital to go back and speak to the administrator again.

Mr. T.P. Reid: Was it the same researcher who did the calendar?

Mr. Rae: It is nice to know the member for Rainy River cares about what is happening to the workers at Sensenbrenner Hospital in Kapuskasing.

My researcher quoted the Premier's response in the House to Mr. Carriere: "The Treasurer has said"—

Mr. Speaker: With all respect, that is hardly a point of privilege.

Mr. Rae: Mr. Speaker, with respect, I am correcting the record. The Treasurer asked—

Mr. Speaker: No, you are not, with all respect.

Mr. Rae: The Treasurer challenged me with respect to information that—

Mr. Speaker: I have to call you to order. You will have to place your question at the next appropriate time.

Mr. Rae: Are you saying that after being challenged by the Treasurer with respect to something that was said in this House, I am not allowed to establish something for the record?

Mr. Speaker: There is no provision for that.

Mr. Rae: There is no opportunity to make it clear—

Mr. Speaker: You may correct the record on anything you have said.

Mr. Rae: That is what I am attempting to do, with great respect.

Mr. Speaker: Any member may correct his own record, not based on what anybody else has said.

Mr. Rae: I am attempting to correct the record in terms of what I said and what was said.

Mr. Carriere was quoted the Premier's response in the House, which I will quote: "The Treasurer has said, and it is factual, that there are discussions between the ministry, the Inflation Restraint Board and the hospital. These discussions are in process."

Just before two o'clock my researcher asked Mr. Carriere what the nature of these discussions was and he responded with the quotation I released to the House. It was to the effect that he had received no information from either the Treasurer, the IRB or any local politician. Mr. Carriere stated there were no indications that the workers would not have to pay the money back. He heard that information from his staff this morning because they said it was on the radio.

After the exchange that I had with the Treasurer, my researcher called Mr. Carriere back—

Ms. Coppins: Is this a ministerial statement?

Mr. Speaker: Order.

Mr. Rae: I do want to correct the record; that is why I am saying this.

Mr. Speaker: Okay. Please do.

Mr. Rae: He stated that he did speak to the IRB yesterday when they responded to his telegram of Friday. They suggested to him—and this is of interest—that he meet with the union to discuss alternative ways to pay back the money.

He then spoke to them again yesterday after the news was on the radio that the workers would not have to pay back the money, and he was told by the IRB that they had no knowledge of that and that they were unaware as to what was said in the House yesterday.

If anything I said in the question period is contrary to that, then of course I withdraw it.

However, I would also say to the Treasurer that there were some things he said on November 8 and some things he said on November 4 that he might want to look at as well and withdraw.

TELEVISION IN LEGISLATURE

Mr. Sargent: Mr. Speaker, on a point of privilege: My colleague the member for Kitchener (Mr. Breithaupt) brought up a very valid matter of concern to the people of this province. Over the years, I have been totally concerned about the way you or someone is allowing stupidity in the way they film the proceedings of this House.

In other words, in Ottawa they do a full film of

what is going on, but here a bunch of photographers can make decisions about what they are going to film and what they will not film. I think it is up to you, Mr. Speaker, to make some positive decision as to how you are going to handle this thing, because the way you are doing it now is not fair to the people of Ontario.

Mr. Speaker: Thank you very much. As you may know, it is not solely my responsibility. It is based on a decision by the Board of Internal Economy.

Mr. Martel: No, no.

Mr. Speaker: Yes, it was. I am not going to argue that. That was the decision that was reached and we are living with that decision.

Mr. Martel: No, no. We said we would review it.

VISITOR

Mr. Speaker: Just a moment, if we may relax. As I sit here calm, cool and collected in my normal way, I spy a visitor in the gallery in the presence of a former member, Mr. Grossman, and I am very pleased to see him.

BALLOON AT LEGISLATURE

Mr. Nixon: Mr. Speaker, I would like to try you with a point of privilege also. Did you notice that the Labatt's Blue balloon was parked in your front yard this morning? Did you give your permission? Did you collect a parking fee? Or is this part of the Attorney General's anti-impaired driving program, which he remembers every Christmastime?

Mr. Speaker: I was very much aware of it because as I came down the stairs, there it was. I made the inquiry.

Mr. Nixon: Where would they get the hot air to inflate it around here?

Mr. Speaker: That was not a problem. Apparently they saved it over from yesterday. I was told, without mentioning any names, that it did not belong to nor was it the property of the company you have mentioned. Other than that, I do not have any jurisdiction. The Minister of Government Services (Mr. Ashe) looks after that.

Mr. Cassidy: Mr. Speaker, since it is blue and large and full of hot air, it seems to me it is resident over there all the time.

Mr. Speaker: Thank you.

Mr. Foulds: Mr. Speaker, is it not true that any assemblage in the front of the building has to be granted permission by you or one of your

nominees? If that is the case, what steps will you take to protect the integrity of this institution from being exploited by a commercial enterprise such as may very well have happened this morning without your knowledge or permission?

Mr. Speaker: I must point out that it was well beyond the front area. I thought myself, if I may make an observation, that it might be one of those commercials based on when the boys get together, you know.

Mr. Nixon: That's it.

3:20 p.m.

Mr. Foulds: Mr. Speaker, as a matter of seriousness, do you think it is appropriate that this institution should be used as a backdrop for a commercial for when the boys get together for a Blue? I certainly do not.

Mr. Speaker: To the best of my knowledge and in all seriousness, when I inquired about that, I was told that it was not being used for the making of a commercial.

Mr. Foulds: What was it being used for?

Mr. Speaker: I have no idea.

Ms. Copps: Mr. Speaker, on a point of order: I think the original point raised by the member for Brant-Oxford-Norfolk was to ascertain whether you had any knowledge of how the big blue balloon happened to be there, and if not, would you please find out and report back to the House.

There has been concern expressed on all sides of the House that, at the same time the Attorney General (Mr. McMurtry) is carrying on high and holy about his drunk-driving program across Ontario, this Legislature is being used as a backdrop for the big blue balloon.

Mr. Speaker: No, I did not have any prior knowledge, nor would I have had, because it is beyond the area of my authority and jurisdiction. However, I have made the inquiry and I will be happy to share the answer with the House if, as and when it is made available.

PETITIONS

INFLATION RESTRAINT LEGISLATION

Mr. Kolyn: Mr. Speaker, I would like to present the following petition on behalf of a number of Conservative caucus members.

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned teachers, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable

in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith under Bill 100, the School Boards and Teachers Collective Negotiations Act."

Ms. Copps: Mr. Speaker, I have a petition signed by 175 nurses in my community from the Hamilton-Wentworth Regional Health Unit, as well as St. Joseph's Hospital, which reads:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned nurses, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith."

REPORT

STANDING COMMITTEE ON ADMINISTRATION OF JUSTICE

Mr. Kolyn from the standing committee on administration of justice presented the following report and moved its adoption:

Your committee begs to report the following bill without amendment:

Bill 68, An Act to amend the Employment Standards Act.

Motion agreed to.

Bill ordered for third reading.

Mr. Martel: Mr. Speaker, I thought we were doing third readings tonight. It is a report, not a bill. You said a bill. That is why I ask.

Hon. Mr. Wells: Mr. Speaker, to my friend, the report from the committee was on the amendments to the Employment Standards Act which came back to the House from consideration by committee. Mr. Speaker asked if it should then proceed to third reading.

Interjection.

Hon. Mr. Wells: It is not being called for third reading.

Mr. Martel: The only thing is the minister has indicated he wanted to do third readings this evening. This is why I was unprepared for that one, because we had agreed that third readings would come tonight.

Mr. Speaker: It has just been called for third reading.

Hon. Mr. Wells: It is not my intention that it be called for third reading. Mr. Speaker, I just want to be sure you are not thinking it was going to go to committee of the whole House when it came back here.

Mr. Martel: Heaven forbid.

Hon. Mr. Wells: We have enough business. I think the member for Ottawa Centre (Mr. Cassidy) wishes to proceed in the budget debate.

MOTIONS

PRIVATE MEMBERS' PUBLIC BUSINESS

Hon. Mr. Wells moved that Mr. Grande and Mr. Laughren exchange places in the order of precedence for private members' public business.

Motion agreed to.

Hon. Mr. Wells: Mr. Speaker, if we have any more of these, we will have to dispense with the lottery.

Hon. Mr. Wells moved that the requirements for notice provided in standing order 64(b) be waived with respect to ballot item 3 standing in the name of Mr. Swart.

Motion agreed to.

INTRODUCTION OF BILLS

CITY OF SAULT STE. MARIE ACT

Mr. Gillies moved, seconded by Mr. Stevenson, first reading of Bill Pr48, An Act respecting the city of Sault Ste. Marie.

Motion agreed to.

EMPLOYMENT STANDARDS AMENDMENT ACT

Mr. Martel moved, seconded by Mr. MacKenzie, first reading of Bill 127, An Act to amend the Employment Standards Act.

Motion agreed to.

Mr. Martel: Mr. Speaker, the purpose of the bill is to prohibit an employer from requiring an employee to work more than five consecutive days without a day of rest.

ORDERS OF THE DAY

PUBLIC SECTOR PRICES AND COMPENSATION REVIEW ACT

(continued)

Resuming the adjourned debate on the motion for second reading of Bill 111, An Act to provide for the Review of Prices and Compensation in the Public Sector and for an orderly Transition to the Resumption of full Collective Bargaining.

Mr. Philip: Mr. Speaker, I rise in opposition to the bill. I would like to make a few introductory remarks on the bill and then get into a matter that has not yet been covered to any extent in the debate on this bill so far.

Although this bill does not intervene in the dramatic manner of Bill 179, it does interfere in the normal labour relations process of this province. I believe it is a principle of good management that one does not tinker with a process that is working or even, in the case of labour relations in this province, somehow bumbling along unless one has substantial evidence the changes one is making are going to have a positive effect on the process.

This bill is basically unfair. It does nothing. On the contrary, it works against the orderly labour relations of this province and the free collective bargaining system. It is a bill that is based on a history of unfairness over the last few years. While the bill may be characterized as a loosening of restraint, it can also be seen as a continuation of the tinkering with and regulation of the bargaining system by this government.

Perhaps the government feels the longer this kind of authoritarian approach is taken and the longer it is perpetuated, the more likely the interventionist approach will be accepted, the less outcry there will be and the easier other forms of more dramatic interventionism will be accepted in the future, as it introduces still tougher legislation against workers in the province in later sessions of the Legislature.

3:30 p.m.

One of the things which struck me most about this bill is it has no termination date. What the bill does is to say to the public and to the Legislature that the government is willing to use its majority to continue a policy that is anti-civil libertarian. In this case it does not even need a majority because the Liberals are working with it. The truth is that one group, namely workers, suffer the brunt of its so-called restraint program.

Only a couple of weeks ago, a resolution by the member for Hamilton Centre (Ms. Copps) was passed unanimously by this House. Only last week a bill by my leader the member for

York South (Mr. Rae) was defeated by seven votes; as many of the Liberals along with the Minister responsible for Women's Issues (Mr. Welch) mysteriously disappeared. It is fine for this House to give lip service to equal opportunities for women, but when it comes to dealing with the challenge in a concrete way the Liberals and Conservatives either take a walk or vote against women.

This bill is essentially unfair to all workers, but it is even more unfair to women. Wage controls or restraints have a particularly damaging effect on women. The federal Public Service Commission of Canada has concluded that the restraint program of the federal government has increased the wage gap between male and female public servants. There is no reason to believe the provincial restraint program has in any way had a different effect.

Edgar Gallant, the chairman of the public service commission, released figures in May 1983 that showed the gap in the median pay between male and female public servants increased by about 12 per cent to \$7,300 in 1982 under wage controls. Male public servants had a median pay of \$27,719 in 1982 compared to \$20,450 for females, a difference of about \$7,300. A year earlier men were getting \$24,341 and women \$17,831, a gap of \$6,500.

Mr. Gallant was speaking very directly to the effect of wage restraints on women as follows: "The result is that women public servants who hold a disproportionate share of low-paid clerical and service jobs got lower pay increases than male public servants who still hold most of the high-paid professional and administrative posts."

My colleague the member for York South (Mr. Rae) pointed out that the present so-called staged program of the government in terms of making women more equal in the work place would, if projected, result in equal pay for women within 1,821 years. This bill merely procrastinates the process. It is one more blow against women in the work place that this government is perpetuating.

When one looks at the gap between men and women in the work place, one can see why this kind of bill is simply one more nail against women, one more hardship against the kind of equality this government and those members voted for or gave lipservice to on the resolution a few weeks ago. Seventy-two per cent of women in Ontario are counted among the official labour force, according to the Financial Post in an article of March 19, 1983. Women in this province are paid 63 cents for every dollar

men earn, an average of \$8,623 a year less than men.

Women work for the same reasons men do, and yet in 1981 the average income of a female-headed family in Ontario was \$14,000 less than a male-headed family. Over two thirds of working women are trapped in clerical, sales and service sector job ghettos where opportunities for advancement and promotion are often scarce or just nonexistent. In fact, federal studies have shown that is the very reason why women are most discriminated against in any kind of wage control program.

The Conservatives or the government members love to portray and provide arguments against equal value out of affirmative action. We are now familiar with their arguments. It is interesting, however, that they never use those same arguments when it comes to dealing with the problem and instead they introduce this kind of interventionist legislation.

They talk about government tinkering with relative wage rates and say that to address the real problem, if sex-linked disparities in the work place were to be eliminated, women would have to compete with men in nontraditional job areas. According to this logic, women would have to get these positions in the same way men do, on the basis of merit. Affirmative action is therefore rejected out of hand as being tinkering.

If ever there is legislation that is tinkering, it is the kind of wage restraint program that this government has tinkered with in the marketplace and that has so discriminated against women over the last two or three years. Research studies have shown constantly that even with the same educational background, women are still paid less than men. In managerial and administrative jobs, women with doctorates earn about one third less than men, according to another Globe and Mail article of November 11, 1982.

Last year, over 67 per cent of public elementary school teachers who are going to be directly affected by this bill were women. Yet they managed to hold only 13 per cent of all positions of added responsibility; that is, principals, vice-principals, chairmen, department heads and assistant department heads.

If the minister would like to check out the source, those facts are taken from the Ministry of Education statistics of April 1983, tables 20 and 20.01.

Statistics, again from the Ministry of Education, have suggested that while women teachers

have made some gains since 1979, the picture has not changed significantly. Yet we freeze their wages in the same way we will be freezing those of their higher-paid male counterparts.

In 1980, a study undertaken by two professors from the University of Windsor indicated that even after practising law for five years, women lawyers in this province earn \$2,000 a year less than their male counterparts. It would be interesting to see the figures as to the salary differences between women lawyers who work for the government, whose wages will be affected by this legislation, and men lawyers working in the same types of positions.

Of those graduating from Ontario universities in 1979, 17.5 per cent of male students held degrees in engineering and applied sciences while only 1.6 per cent of female students held degrees in the same area.

The largest sex-linked gap in all fields of the study—and again this is an Ontario government study I am quoting from; namely, the Ministry of Colleges and Universities study entitled, *Employment survey of 1979 graduates of Ontario universities*. What I am saying is that this bill perpetuates a system, a gap between the wages of men and women and, indeed, increases in real dollars that very gap. By failing to attack the wage gap, this government is increasing the widespread incidence of poverty among women.

My colleague the member for Port Arthur (Mr. Foulds) has already talked about the effect of transfer payments and so forth to the various agencies in municipal governments. Of all female-led families in this country, 41.5 per cent live below the poverty line. Nearly two thirds of the women who live alone in this country are living on incomes below the poverty line. Many Canadian women live lives that consist of a complete cycle of poverty. The National Council of Welfare estimates that one in seven Canadians who live below the poverty line are minimum earners or welfare recipients in the single elderly category, and the majority of them are women.

Women who are not permitted to earn a proper wage, which is what this bill essentially perpetuates, will have as wage earners nothing to fall back on but a welfare system that again is inept and inadequate as a result of this government's wage and other restraint programs.

Women who are not permitted to earn a proper wage while they are wage earners will again be disadvantaged when they are out of the labour market and into a retirement or other assisted market.

3:40 p.m.

I am trying to point out that essentially this bill is not only unfair to workers in general, but in particular it is unfair to women. This is the conclusion of the federal studies that have been done on the federal restraint program. There is no indication that the provincial restraint program, which this bill is merely a part of, does anything other than that.

If the members on the government side and, indeed, the members of the Liberal Party really believe in the resolution that they voted in favour of in relation to women's rights and their equality in the work place, then they will certainly have to vote against this bill, which discriminates against all groups, but discriminates more harshly and more severely against women in this society.

Mr. Laughren: Mr. Speaker, I rise to speak in opposition to this piece of legislation. My colleagues have outlined better than I could the problems that it is going to lead us into vis-à-vis labour relations in Ontario.

I do not know how the government can ever again expect to have any decent kind of labour relations where people will trust it, when so obviously and so blatantly it can expropriate people's wages in the way it has. They would never do that with property, but they do it very readily with people's wages. I want to tell members the instructions which have been given to the arbitrators are positively bizarre.

This morning my leader was speaking at the Ontario Federation of Labour and he made the point that if the government was to buy a piece of property, such as Inco Ltd., it would have to say to that company: "This is what we are going to pay you for your assets. We would pay you more because we know the market value is more, but our ability to pay is so restricted that this is all we are going to offer you."

That is the kind of logic in this bill, which states that the arbitrators must consider the ability to pay of the person who is doing the paying. Would they carry that philosophy over into other areas of expropriation? No, I doubt that they would because then they would be treading—

Mr. Rotenberg: We are not expropriating anything, and the member knows it.

The Deputy Speaker: Order.

Mr. Laughren: Let me draw another parallel, Mr. Speaker.

Mr. Rotenberg: Try another one. Maybe this one will fly.

Mr. Laughren: I rest my case on that one and I will move on to another one.

When a new highway is going to go through in Ontario, there can be a hearing of necessity and it can then go to some form of arbitration. I am not sure of the appropriate language to describe it, but an arbitration process takes place that decides upon the price of that land. Are we now going to say to the people who own the land that is going to be taken over for a new highway—perhaps the Pope expressway around Timmins or some other such necessary highway—“We know what the market value is, but our ability to pay is such that we cannot give you a fair price”? That is the instruction they are giving the arbitrators here.

What bothers me most about the legislation is the way it fits in with a lot of other legislation that is coming forth from this government and from other governments in the country. Basically, it is legislation to stop any potential increase in the distribution of income to the lower percentiles in our society. That is basically what this legislation is about. It is blatant class legislation to make sure that no redistribution takes place in terms of income. That is exactly what it is.

Hon. Mr. Grossman: Even the member does not believe that.

Mr. Laughren: I do believe that. Let the minister tell me who else is being asked to make the sacrifice. Let him tell me what other people are being told, not being asked but being dictated to, that they are going to make this sacrifice. Who else but the working class in this province? I do not know any other people who are being told by legislation that they are going to have to share in the burden of fighting inflation. I do not hear the minister telling anybody else that.

I look at the question of the minimum wage. What could have been more mean-spirited and begrudging than the announcement of the Minister of Labour (Mr. Ramsay) about the increase in the minimum wage? It is simply outrageous. That, too, is designed to make sure there is no redistribution of income in this society.

Mr. Rotenberg: It is 14 per cent.

Mr. Laughren: It does not matter what the percentage is when people are being paid \$3.85 an hour, my friend.

Mr. Mackenzie: And that is not for another five months.

Mr. Laughren: Exactly.

It is like the whole question raised by my

colleague the member for Etobicoke (Mr. Philip), who made such an excellent speech on the distribution of income vis-à-vis women in our society. I thought his remarks were most appropriate.

I find it passing strange that we have a government that will endorse the right of women to box one another in a ring but will not give them legislated affirmative action and will not give them equal pay for work of equal value. Is it not strange what it decides is appropriate for women to have in our society? Not equal pay for work of equal value, not mandatory affirmative action, but yes, they can go into a boxing ring. I heard the minister say that. The government has selected its priorities. The women of Ontario will understand and they will not forget that it was decided women could have, in 1983 and the years to come, the right to get into a boxing ring and hit each other, but not the right to have equal pay for work of equal value or to have mandatory affirmative action in the province.

I look at the attitude of the government regarding injured workers, and I am forever appalled at the attitude of the government towards them. There is to be no redistribution to look after people who are so unfortunate as to be injured on the job. If the government acts on the report that is going to come into this chamber, it will be doing a great deal of harm to a great number of injured workers in the province.

The Deputy Speaker: With all due respect to the member, we are talking about Bill 111.

Mr. Laughren: This restraint bill is not going to do very much for those injured workers. I know what I am going to do, Mr. Speaker, not to you, because I know the burdens of office are sufficient that it would be unfair, but to all those other members when this new legislation comes in, if it does. When people come to me with a compensation problem, I am going to make sure they also go to the closest government member who voted for this legislation. It is of their doing; it is not of our doing.

I look at the question of housing. What is this restraint bill going to do for anybody who has a housing problem? I listened to the Minister of Municipal Affairs and Housing (Mr. Bennett) get up and answer questions on the housing crisis in Ontario, and it was very difficult for me to keep my lunch down. It is so outrageous.

In my 12 years as an elected member, the only time I have engaged in any form of civil disobedience was in the last two months over a housing issue in Sudbury when I helped a family

move into an empty house that belonged to the Canada Mortgage and Housing Corp. This government and this minister have refused to act on the problem. I would do it again and I would encourage other people to do it. If one has an equation that consists of homeless families here and empty houses there, there is an obligation that we put them together.

Mr. Martel: But one cannot even talk to the minister. He just rants like a mad dog.

Mr. Laughren: One cannot even talk to the Minister of Municipal Affairs and Housing.

This bill is going to affect the boards of education because it directs the boards of education on how much they will be compensated for by the government in any kind of wage settlement. The Ontario English Catholic Teachers' Association has issued a release recently in which it warns the Treasurer and others that this bill is going to exacerbate the problems of the boards that are assessment poor.

3:50 p.m.

I suppose if one lives in the riding of St. Andrew-St. Patrick, one does not worry too much about assessment-poor boards. But there are some parts of this province where the boards are assessment poor, where there already is a substantial difference in the amount spent per student from the amount spent by other boards. This decision is going to make it worse.

The member for St. Andrew-St. Patrick (Mr. Grossman) has done a lot for the people in our society who should have more. He has done a great deal. They understand what he is doing to them, not for them.

Mr. Martel: Mr. Speaker, this is the cornerstone of the government's legislation and there are not 20 members here. I think you should call for a quorum.

The Deputy Speaker ordered the bells to be rung.

3:56 p.m.

The Deputy Speaker: I see a quorum. Before the member proceeds, I might just suggest that it might aid the debate if the members participating in the debate could stick to the principles of Bill 111. Perhaps they might address their remarks to the chair so as to minimize the interjections and so we will not have these outbursts that have characterized the last few comments.

Mr. Laughren: I do not think I can live with that set of guidelines.

Mr. Speaker, I understand why the whip

encourages the Tory members to leave. He is afraid I am going to convert them all. I know it has nothing to do with the quality of my speech.

I was talking about the Ontario English Catholic Teachers' Association and their warnings to the Treasurer about what was going to happen with this bill. While he may be quite happy to let that kind of thing happen, the Treasurer does not understand how serious it is to an assessment-poor board. Not to open old wounds, it is like the workers at the Sensenbrenner Hospital in Kapuskasing where he knew that was going to happen when that bill came in. I do not know how he would not know that could happen. His answer is, "Sit down and work it out with your employer." What a lot of nonsense that is.

I know the reason we have this bill is that the government argues that if it can restrain the public sector, that will allow more for the private sector. That will then provide more investment dollars, which will create jobs. Then we will all be better off and we will have a lower rate of inflation. That is the philosophy over on the other side. They really believe that. They believe two kinds of trickle down happen. One is that if one pays people all sorts of money and allows all sorts of profits at the top, the benefits will trickle down to people in the lower income levels.

Second, they believe that by allowing that extra money to go to the private sector in the form of profits and dividends, that will trickle down to create more jobs for the unemployed. That is the philosophy behind it. I think the Speaker understands that very well, having heard Ronald Reagan speak in such a manner from time to time. I know the Speaker knows that is a philosophy to which he adheres—

The Deputy Speaker: What does this have to do with Bill 111?

Mr. Laughren: It has to do with public restraint and what happens when one restrains expenditures, according to the Tory philosophy.

The only trouble with that philosophy is that the increased money that is available to the private sector because of restraint does not end up providing the extra jobs. At least there does not seem to be any evidence of that. I would ask the Speaker how he thinks that this restraint bill could alter any investment decision by any company in Ontario.

Mr. Kerr: Less taxes, less bureaucracy.

Mr. Laughren: I see. The Tories are saying now that there will be less taxes. Since I must

direct my remarks to you, Mr. Speaker, and not to the member, let me ask you, do you really believe that if this restraint bill had been in place 20 or 30 years ago, International Nickel, for example, would have put its money in further processing in Ontario rather than buying a battery company in the United States or developing in the Third World?

Is that what your colleague thinks, Mr. Speaker? Do you really believe that nonsense? Do you really believe that even though there has been a form of wage controls and restraint in this country now since 1975, I guess, that Abitibi-Price in Sault Ste. Marie would not have gone together with the Thomson newspaper chain and spent more than \$200 million on a paper mill in the southern United States? Do you really believe that restraint in the public sector is going to motivate the private sector to make those investments here because supposedly they pay less taxes? I find it hard to believe.

4 p.m.

One thing that offends me so much about the legislation is that it is out there all by itself. If the Treasurer had said, "We have a package of economic stimulation that we want to present to the people of Ontario; one of them is a public restraint bill, and another is an economic development package to create jobs," then he might be able to get up and make a convincing argument. But he does not do that. He says, "This restraint is the answer to our economic malaise in Ontario."

He does not say, "Along with this economic restraint package in the public sector there is going to be a massive program to replace imports, to further process our resources." He just assumes it is going to happen, without a shred of evidence that it works.

Interjection.

Mr. Laughren: It is very interesting to hear that the public restraint bill is going to help fund the Board of Industrial Leadership and Development, which will do things such as providing direct grants to the pulp and paper industry—to all sectors out there—to create jobs. If that is true, if his colleague believes that, then he is really saying this group of workers in the public sector are the ones who are going to provide the stimulation.

We are not sharing it equally in society; we are selecting who is going to do that. There is nothing fair about that, it is incredibly discriminatory, and yet he seems to get away with it. I do

not think he should, but he really does seem to get away with it.

They must wonder at times among themselves why it is that they have selected this particular group of working people in Ontario to carry that burden. What is so special about the public sector? Is it the security of tenure, such as the public service in British Columbia thought it had? Is that what it is? We know that if he will expropriate their wages with a piece of legislation, which he certainly did last year, he would not hesitate to expropriate their jobs as well.

The arguments his colleagues use are downright silly at times. We know that in Ontario we do need to get people back to work. There are entire communities where the unemployment rate is outrageous.

If Sault Ste. Marie were represented by an opposition member, that member would be raising hell in this chamber day after day because of an unemployment level that is pushing 30 per cent. But Sault Ste. Marie is represented by a member of the government party who simply cannot do that. He cannot get on his feet and embarrass his own government.

If Sault Ste. Marie were represented by an opposition member, we would see the fur flying in this chamber. I do not know of any member who could sit back and tolerate an unemployment rate that exceeds a quarter of the work force. None of us would accept that, but because it is represented by a government minister somehow it is not talked about. It is not talked about here anyway.

When we had massive unemployment in the Sudbury area, at least the issues were raised. But when was the last time we heard the member for Sault Ste. Marie (Mr. Ramsay) raising the issue?

I guess this bill has pulled the members of the government party together in a display of solidarity against their own civil service. But it has also pulled the civil service together, it has pulled us together and it has pulled the trade union movement together in opposition to it. We all know that what they do to one group of workers today they can do to another group of workers tomorrow. Everyone understands that. That is why in British Columbia, for example, there was the massive Solidarity effort put forth by all organized labour and by others outside organized labour as well. In Ontario, they may be doing it much more sneakily, but the message is still getting out that workers out there are fair game for the restraint package.

I would like to know from some member on

the government side, and perhaps the Treasurer will tell us when he is winding up, who else is sharing this burden. I noticed this morning in the news that the inflation rate now has dropped to less than five per cent, yet the minister feels compelled to continue wage restraint against a particular group of workers.

The minister can pretend that these are wage controls but not wage controls, but everyone knows what the effect of this is. Everyone knows that the most regressive tax is the property tax and that there will be enormous hesitation to pass through any kind of just increases to people at the local level. That was a very sneaky kind of way to continue the restraint legislation.

There are lots of better ways to do it where the minister could have been out front defending his legislation directly. This way all he has to do is say: "Don't talk to me, talk to the school board. Don't talk to me, talk to the university. Don't talk to me, talk to your municipality." That is what the Treasurer can say. Those bodies are then faced with an incredible dilemma. Any inequities that exist there already will be continued and, as a matter of fact, reinforced.

For those reasons, we stand in opposition to this iniquitous bill.

Mr. Kerrio: Mr. Speaker, I join the debate on this bill to offer a few comments about the concern of those of us on this side. I would like to suggest to the minister that with what we consider to be a tremendous influence on the marketplace, on private life, on everything else that is being done municipally, provincially or federally, governments have decided to play a larger and larger role as to how they influence the way in which people conduct their lives and their businesses.

In this instance, it made uncommonly good sense to have some form of restraint or some form of control by those people who realized we had an economy that did go beyond reasonable limits and that on a much broader scale we were getting less and less able to compete in world markets and were living somewhat beyond our means. I cannot believe there would be those who would be opposed to such a consideration by various governments.

This party has always taken the position and has come to the conclusion that it should be done in a fair and equitable way. The last time we discussed and debated such a bill before this assembly, we moved amendments that we thought would make the bill reasonable and acceptable.

Our main thrust, which did make that kind of sense, was that we wanted to talk about those

people who were on fixed incomes and who should have assurances from this government that there would be some control of prices, of energy and, most particularly, of the things governments had a real interest in, typically Ontario Hydro. We felt that if they were going to constrain the income of individuals, then this government would play a major role in helping those people out there on fixed incomes who had to face the reality of prices and commodities and all those other things that are going up much more than they are able to cope with.

4:10 p.m.

Mr. Laughren: Tell us about price controls, Vince.

Mr. Kerrio: The third party people just do not want to face the realities of what must be done in a system to get us back into a position of competition with other jurisdictions. There are those who would like to live in a dream world, and we see what is happening to them worldwide. People are beginning to realize that one day you wake up and you must pay for all the things you would like to enjoy. The socialists are slipping on the federal scene and on the provincial scene, and it is obvious they do not have a handle on what is a must to make this great country of ours competitive and to put it on a basis of competing on the world markets again.

Mr. Samis: How about the Liberals?

Mr. McClellan: I think you have overtaken us, Vince. You passed us on the way down.

Mr. Kerrio: Having said that, I have some comments to make relating to the bill in a specific way. I do not think it is fair of the government to decide it will change the thrust of the bill so that it will put the onus and the pressure on municipal governments. It has done this on many occasions, and it is not fair.

When we consider that our governments, provincially and federally, because of the huge explosion of bureaucrats and people who are supposed to be sophisticated and knowledgeable about running the affairs of government, have proliferated and they have much of the expertise, it seems unconscionable that they would transfer much of the responsibility of everyday living to the municipalities.

It has not happened only in this particular instance. Witness market value assessment when the government of Ontario did not have the integrity or the fortitude to put it right across the province. We now have municipalities that are voting for it holus-bolus. We can have two adjoining municipalities where one has this

assessment and a neighbouring one is without it, putting municipalities in a very awkward situation.

The same is happening with this bill. The government decides there will be some restraint on its part and advocates that position, and then it decides the municipalities will be left to wrestle with the increases but the transfer will be kept to what the government considers a reasonable inflationary percentage. Instead of doing that, the government might well have addressed itself to looking at the prices people have to pay for commodities and for energy, and in that way do something meaningful in restraint. I hope this government might reconsider that position.

Mr. Laughren: Talk about a dream world.

Mr. Kerrio: Most of the people out there that the socialists decided were strictly on their side were in fact not on their side when it came to restraint. We found the teachers of this province taking a very responsible position, most being willing to participate in a restraint program. I think they are very disappointed it did not go far enough in the sense that they could do something in a more responsible way. Many people out there, having achieved those kind of wages, would be willing to share with those people—

Interjections.

Mr. Speaker: Order.

Mr. Kerrio: Many people out there in the work force are most willing to share with those people in society who are not so well off. The only people who object to that are the union boss proponents over there. They do not represent the average worker. They represent the union bosses, who are getting hundreds of thousands of dollars more than they are worth. Then they come here to government and decide that only government and parties in power do those things. I discount anything they say, because the people they are supposed to represent do not support their position.

Those teachers out there, those good workers, those people who make good money in the work force at a time of need when other people on the low-income scale are crying for support, are most willing to do it, but not the supporters of the union bosses. They are not willing to participate as the people they are supposed to represent are most willing to do. In our experience over the past year of a federal-provincial restraint situation, those people, honourable good people that they are, are most willing to participate.

My criticism of the government has nothing to do with the willingness of those people to support that, but really has to do with being concerned that the government is not willing to transfer to these various municipalities the responsibility of fund-raising together with the responsibility now to pay extra money.

Down the road, I hope the minister will consider some new legislation that will address itself to those municipalities at the low end of the scale that are going to be faced with this situation, some of which could border on other municipalities. One of them could have the means to raise extra money to pay for considerable increases while the neighbouring one could not. I hope the minister will readdress himself to his government in particular and assume the responsibility on a much broader base, realizing that although some form of restraint is a must, it should not be on the backs of any particular group. I think this is our particular play in life.

This party represents all workers, whether they are unionized or not. We represent the little people out there. We do not go to bat for just those people who have that strong representation that really does not need that party. In fact, that party needs them. They have those roles reversed. They are hanging on by the skin of their teeth but are slipping away to the point where the Pilkey gang might decide to form another party and throw these people right out to some fourth or fifth standing in the various involvements of governments across this great nation of ours.

In conclusion, I must say the minister is going to get sensible support. Our only plea is that the minister consider some of the concerns we have expressed in reasonable amendments, which have the support of all those good people out there: the teachers, the public workers and those other people who are most willing to participate as long as it is on a fair and equitable basis.

In closing, I must say that rump group over there certainly does not command the respect of the citizens of this great nation of ours who will participate, help their fellow workers and help those people in need of help. I hope the minister will address himself to these few remarks and adjust his bill to take into account some of those considerations.

Ms. Bryden: Mr. Speaker, a year ago, Bill 179 was brought in as the government's answer to inflation. It was supposed to apply both to public sector wages and to prices administered or set by the government and its agencies. It also

provided for the monitoring of changes in prices and wages in the private sector.

According to the Premier (Mr. Davis), when he made his statement at the introduction of the bill, it was supposed to provide for the continuation of collective bargaining, which would be allowed on what he called a range of nonmonetary issues, increasing productivity and maintaining public sector employment. The then Treasurer, now the Minister of Industry and Trade (Mr. F. S. Miller), touted it as a means of reducing inflation and putting the province on the road to economic recovery.

Never was such a false bill of goods sold to the Legislature. Free collective bargaining was virtually wiped out, since there are very few nonmonetary issues. Public sector employment was curtailed as layoffs and contracting out continued, and institutions were closed.

There was little or no monitoring of changes in prices in the private sector. The board which the Premier promised would do this was never set up. Instead, the job was left to the Inflation Restraint Board, which was too busy rolling back the wages of the underpaid hospital workers in Kapuskasing to do anything about prices. Yet, how can workers be expected to maintain their standard of living if there is no restraint on prices?

4:20 p.m.

There was little or no restraint on prices set by the government ministries or its agencies. For example, this year new licence stickers for four-cylinder cars went up by 60 per cent. Ontario Hydro rates went up 8.4 per cent. GO Transit fares went up from seven to 13 per cent. Admission prices to the Art Gallery of Ontario and the Royal Ontario Museum went up by 75 per cent and 66 per cent respectively.

The only part of the bill that stuck was the hard cap on public sector wage increases. The contribution to economic recovery proved to be a negative one. Unemployment continued to rise and layoffs to snowball. The purchasing power of 600,000 public sector employees was reduced and the purchasing power of many people in the private sector was reduced when employers used the restraint bill as an excuse for limiting or denying adequate wage increases to unorganized employees.

It is now clear that public sector employees were made scapegoats in the government's sham battle against inflation under Bill 179 last year. Of course the promise was held out last year that the restraint would be in effect for only

one year. That is another part of the picture that was given last year.

Now we have a new form of restraint for this year for public sector employees only. Bill 111 differs from Bill 179 in several important ways. First, in theory it restores full collective bargaining rights to public sector workers, but the Treasurer has indicated that civil servants' compensation increases will be limited to an average of five per cent across the relevant bargaining unit. Does that allow full collective bargaining?

Second, Bill 111 puts no cap on wage increases but does put a cap on provincial transfer payments to municipalities, school boards, hospitals and other local bodies like the Toronto Transit Commission.

Third, it transfers the Inflation Restraint Board from an adjudicating body with rollback powers to a review body with powers limited to making recommendations to the provincial Treasurer on both wages and administered prices. What the provincial Treasurer can do is left unsaid.

Fourth, in making awards arbitrators are required under the new bill to take into account the employer's ability to pay and provincial fiscal policy. This is something entirely new in Bill 111 as compared to Bill 179 and is a very dangerous interference with our labour relations policies and procedures.

Fifth, in Bill 111 any pretence at monitoring private sector wages and prices has been dropped.

It is not surprising that the government has backed off from last year's virtual ban on collective bargaining. Recently the Ontario Supreme Court found Bill 179 interfered unconstitutionally with key freedoms guaranteed by the Canadian Charter of Rights and Freedoms. I think both the labour movement and the New Democratic Party can take credit for the restoration of collective bargaining. Their stiff and united opposition to the government's denial of collective bargaining rights under Bill 179 convinced the Tories this was not the way to go.

Bill 179 was euphemistically called the inflation restraint bill, but as I have shown that was a window-dressing title.

The short title for the new bill gives away what the government is up to this year. It is called the Public Sector Prices and Compensation Review Act, 1983. Members will note that prices are mentioned first, even though the prices section is tagged on at the end of the bill. Price restraint under the 1982 act was virtually a

dead letter and a study of Bill 111 indicates that review under the new act will not be any better.

But it is a different story for wages. The second half of the title for the new bill, "compensation review," is just a fancy name for a new form of wage control. It is not a legislated ceiling on wage increases like last year, but the government will continue to control wages of public sector workers by another route under the new bill.

For example, under the new bill any compensation package which exceeds in total the criteria set out by the Treasurer faces several roadblocks. Let me list them.

First, all negotiated public sector compensation packages are subject to review by the Inflation Restraint Board, which then reports to the Treasurer if they do not conform to the criteria which the Treasurer will be announcing. Compensation is defined broadly to include every form of monetary benefit. In his introductory statement on the bill, the Treasurer indicated that compensation increases averaging above five per cent would not conform to his criteria.

The second roadblock faced by bargainiers is that the Treasurer made it clear in his statement that provincial transfer payments and grants to local bodies would only provide for average compensation increases of up to five per cent across bargaining units.

The third roadblock in the new bill is that if arbitration comes into play during any part of the process arbitrators will be required to take into account when making their awards "the employer's ability to pay in the light of existing provincial fiscal policy."

Moreover, both employers and arbitrators must submit to the Inflation Restraint Board an estimate of the cost attributable to the new collective agreement or award. This is designed to let the board publicize how much the increases will cost in total.

Furthermore, if the IRB reports that the overall pattern of agreements is not in conformity with the Treasurer's criteria, the board may recommend to the Treasurer "that further appropriate measures be taken." That is subsection 4(1).

This appears to be a clear threat of intensified controls in the future. It is certainly a section of the bill that must be clarified as to what it really means. The Treasurer must tell us what kind of appropriate measures he is contemplating under this section and let us judge whether they are appropriate or not.

What the new bill succeeds in doing is transferring wage control to local authorities. If total negotiated increases are greater than the Treasurer's announced limit of five per cent on transfers and grants, local governments will have to decide whether to raise taxes or cut other services to meet the costs.

The bill also makes it virtually impossible to achieve catch-up settlements where employees have fallen behind others doing similar work. The only catch-up possible is on a piecemeal basis through negotiating larger increases for one category of employees at the expense of smaller increases for other categories in the same bargaining unit. Breakthroughs by arbitrators who used to look mainly at principles of fairness and comparable work will be unlikely, if not impossible.

4:30 p.m.

Women employees seeking equal pay for work of equal value or other forms of catch-up to ensure economic equality will find the bargaining straitjacket very tight. It is also unclear where the costs of reclassifications or additional employees fit into the total compensation package on which a ceiling has been placed by the Treasurer's guidelines.

It is unclear how merit increases will be treated. Public sector employees who had to forgo merit increases under Bill 179 were expecting to be paid their merit increases in the coming year, but if it becomes part of the overall package of compensation increases it will mean that much less increase available for other kinds of compensation increase.

As my colleagues have pointed out, the bill does not offer any real solution to the Kapuskasing hospital employees situation where hospital orderlies making \$18,000 a year have been required to pay back \$1,000 each. Presumably any renegotiation of this rollback will be added to the compensation increase for next year and be subject to the five per cent guidelines.

Another alarming part about the bill is that the Treasurer unilaterally sets the criteria for acceptable compensation increases. There is no provision for debate or review by the Legislature. There is no figure in the bill. It is entirely what the Treasurer has said he will suggest. The percentage of five per cent he will impose on the public sector is not in the bill. There is no provision for public input on the figure that is set for each category of public sector employees. There is no right of appeal. This is giving draconian powers to a single cabinet

minister and it is not what one expects under democratic government.

I would also like to point out what appears to be a serious omission in the bill. In Bill 179, section 8 exempted from the ceilings in the bill increases granted under section 33 of the Employment Standards Act, which is the equal pay section, and it exempted orders of the Ontario Human Rights Commission which provided wage adjustments in overcoming discrimination.

There is no such clause in Bill 111. Accordingly, we have to ask, will any adjustments of these sorts under the Human Rights Code or under the equal pay provisions in the Employment Standards Act be considered part of the overall compensation package? Will they have to be included in the overall limits, which means less opportunity for increases for other reasons?

I would like to ask the Treasurer, how does he expect to overcome the wage gap between the average earnings of women and men in the Ontario public service? In 1982, the latest figures we have, it amounted to 26 percentage points. If there is no room for catch-up in his five per cent guideline for the public service, how does he expect to overcome this wage gap? According to the latest report from the women crown employees office, 17 out of 23 ministries have wage gaps above the average I have quoted.

I would also like to ask the Treasurer and the Minister of Labour (Mr. Ramsay) how they expect to bring us any closer to the principle of equal pay for work of equal value they voted for on October 20. How do they expect to enshrine that principle in the Employment Standards Act? If there is no room for catch-up in this legislation, how will they enshrine that principle in the Employment Standards Act?

I would even suspect it may make it impossible to implement the kind of changes in the equal pay law the government has been hinting we will get, which are completely inadequate but which will be an improvement on the present equal pay law.

If there is no opportunity for any equal pay catch-up or equal pay awards being considered outside the total compensation packages, they will not even be able to implement their very inadequate proposals for tinkering with the present equal pay legislation. They will be denying their vote for the principle of equal pay for work of equal value. The names of both the Treasurer and the Minister of Labour are recorded

in Hansard as having voted in favour of that motion on October 20.

The New Democratic Party opposed this bill on first reading because of the unjust and discriminatory aspects of the bill and because public sector workers continue to be singled out to bear the burden of the government's restraint policy. The Liberal Party voted with the Progressive Conservative government at that time. The NDP will continue to oppose this bill because it is unfair and discriminatory legislation.

It is sexist legislation because it prevents women from catching up and overcoming that wage gap.

The legislation will thwart economic recovery because it will be reducing purchasing power. What we need right now is an increase in purchasing power and a job creation program that would turn the economy around and get Ontario working again. We do not need more controls on the wages of workers in the public sector. We do not need a continuation of making public servants the scapegoats for the lack of government policy and action in overcoming the present economic situation. We do not need a continuation of unequal pay for women in Ontario.

Mr. Eakins: Mr. Speaker, I want to speak briefly and outline some of the concerns I have with regard to Bill 111. In my thoughts, I see it simply as a method of wage control. I do not believe public sector workers such as teachers, nurses and municipal workers should be made scapegoats.

It seems to be the Treasurer's priority to get rid of the problem by putting it in the laps of municipal councils and school boards. I would like to ask the Treasurer why he controls workers' wages but does nothing about the costs of the various services they have to pay for. I see no method in his program to control hydro rates, for instance, which in the town of Lindsay, because of the increases they must pass on, are now 10 per cent higher.

4:40 p.m.

Reference has been made to the increase of 13 per cent for GO Transit, 75 per cent for the Art Gallery of Ontario and 66 per cent for the Royal Ontario Museum. I would like the Treasurer to tell me why last summer the health unit in Haliburton-Victoria in the Pine Ridge district was allowed to increase its charge for inspections of septic and holding tanks in that area by 33 per cent.

When a worker in the county of Haliburton

must be subjected to an increase of somewhere in the vicinity of five per cent, why should he be forced to pay 33 per cent to have the health unit inspect his holding tank?

I think that is very unfair and I would ask the Treasurer to express his view on that. If he is going to force people to accept in the neighbourhood of a five per cent increase, then why does he not use the good services of his office to make sure those agencies under his control also limit themselves to the same increase? It seems very unfair that a 33 per cent increase should be allowed. I think the Treasurer should answer that.

We also receive letters from many of our constituents. I would like to refer to a letter that I will indicate is from a clerk-treasurer in one of our municipalities in Ontario. Part of his letter reads as follows: "I am employed as the clerk-treasurer in a township and I feel that the public employees have unjustly been made the scapegoats for our present economic times when, as one example, a bank reports 40 per cent profit increase in 1983 over the same quarter in 1982."

He goes on to say, "I also note that my unemployment insurance deductions increased by over 40 per cent when government restrains the wages at five to six per cent increases." He also states, "My 4.2 per cent wage increase dwindled to a 3.3 per cent take-home increase. I could go on and on with similar examples, but I am quite sure you are well aware of these same examples."

He says, "Contrary to popular belief, not all public employees have pension plans, extended health plans, dental plans, life insurance plans, etc., at their place of employment." The employees of his township have none of these benefits listed and under present legislation cannot have these benefits added without being limited even further in the meagre wage increases allowed.

He goes on to say, "I am enclosing a copy of a survey completed showing the variances in benefit packages across this county. As you can see, there is a wide variation which the wage control program only ensures will continue."

The minister is in receipt of a letter from the clerk of the county of Victoria in which he says on behalf of county councillors: "Provision in the act was made that council must ensure that the proposed changes to a compensation plan meet the requirements of the legislation. In order to meet these requirements, council must file a report from its municipal auditor attesting to the administrator's compliance with the act."

"In order to obtain a report from the municipal

auditor, it requires an additional audit at an additional expense to the municipality to confirm that the municipality did conform with the Inflation Restraint Act. Council feels that this requirement created an unnecessary additional expense to the municipality."

The county of Victoria requests the Treasurer and Minister of Economics to reimburse all municipalities that have incurred this expense upon presentation of the municipal auditor's statement for his work. I wonder if the Treasurer would respond to that.

My main concern in addressing Bill 111 at this time is that I feel this bill is very unfair to many of our public servants in that their wages are restrained but the Treasurer appears to be doing nothing to curb the prices.

Before this bill is completed, I think the Treasurer should address that. What action is he going to take to make sure that increases by the various government ministries, boards, commissions or agencies he has power over are no more than the workers' increases?

Mr. Di Santo: Mr. Speaker, I would like to enter into the debate on Bill 111. I think this bill is important not only because of its content, but also because of the rationalization behind it and the consequences it will have for the public service, the boards of education, municipalities and for all Ontarians in days to come.

This bill is the result of the economic policies of this government and of the federal government. For the last few years they have been concentrating their efforts on fighting inflation. It has been the priority of this government and of the federal government.

We remember we had the restraint program. Last year the federal six-and-five program was implemented. We have an economic crisis that is imposing an incredible burden on the more vulnerable and defenceless people in our society. I am talking of the unemployed, the young people, women, natives, senior citizens and small businessmen and businesswomen.

The policies of this government are in tune with the philosophy that is defined as neo-conservative. It is a philosophy that is very much the result of the intellectual elaboration of right-wing thinkers, economists and philosophers. It was shaped up initially in the United States by Reagan and his gang and in England by Prime Minister Margaret Thatcher. It is a philosophy and a political practice of immense cost to many people.

Ontario has joined the crowd. Because of the incredible brainwashing and the effort made by

the media—the newspapers, television and radio—I think the resistance of the public opinion to this type of attack is diminishing. I am pretty sure the government of Ontario and the Treasurer, who, being a smart person, does smart things, must have the polls to tell them that public opinion is in favour of a restraint program, in favour for reasons which are perhaps not totally rational, but nevertheless in favour of this program because civil servants have job security. Therefore, in their view, why should other workers suffer and be unemployed while civil servants not only have job security but also want hefty salary increases? These are well-known tactics which the Romans knew very well.

4:50 p.m.

This may be convenient for the government. It may result in more public support of its policies. However, in the long run, I think it will be deleterious, not only for the government but for Ontario. This choice and these policies which the government is following are determining a situation in the province where our economic apparatus is deteriorating.

Unemployment has receded slightly in the last few months. However, if we make a comparison between the year before the recession—that is in 1981—and the month of September, we know very well and the Treasurer knows very well that because of the recession in Ontario, we have lost 103,000 jobs in the manufacturing sector alone. The Treasurer knows very well those jobs will not come back by themselves. In many cases, those jobs are lost forever.

We know that because of the policy of the government, we do not have a strong recovery in Ontario which, above all, will bring back employment. Despite the proclamation of the previous Treasurer when he introduced the budget last spring that this government would create permanent jobs, especially for young people, we know very well those jobs have not been created. We know we still have very high unemployment. Of course, if we compare our percentage of unemployed with that in other provinces, it may look lower. However, we still have very high unemployment.

Today we know there is a very determined effort to try to convince us that full employment is a magic figure which can vary according to the circumstances. A federal minister, Mr. Johnston, actually said that full employment is a situation where one can have eight or 10 per cent unemployed because that is what the

situation is going to be in the years to come. However, this is an admission of defeat.

Instead of making comparisons with provinces, such as Newfoundland, which are less fortunate than Ontario, I would suggest the Treasurer go a little bit beyond the border, not necessarily to the south, because I know the Premier likes to make comparisons with Alabama or North Carolina, but a little bit east, and look at Austria and other nations. He may perhaps see that there are situations where they have not only low inflation but also low unemployment.

In a situation like the present situation, where there is a protracted recession, there is only one way to create jobs and that is by an intervention of the government. This would sound blasphemous today because everything conspires against the intervention of the government.

The speakers the Conservative members invite from the United States to enlighten them from time to time tell them it is time to give support to the free enterprise system, to the private sector, and to stop the intervention of big government in the lives of citizens.

We see the results every day. We see there is an attack on medicare on the part of this government and the privatization of the health care system in Ontario. We know what is happening in nursing homes every day because profit is the magic word that prevails in any circumstance, whether we are talking of social services or the health of the citizens.

Intervention by the government is a blasphemous word that is unacceptable to the Conservatives and the neo-conservatives who at this moment are prevailing in our society.

Even though that is the trend of the moment, we know very well—and the minister knows very well—that those policies are extremely harmful because they are leaving thousands of people unemployed, especially young people. We have 140,000 young people unemployed in Ontario. These are the official figures. There are many young people who have never had a job and, therefore, do not show in the statistics as unemployed. There are people who have never entered the labour market and it is extremely difficult today for those people to get a job.

Instead of facing that situation, the government tells us, "We have to impose restraints on the civil servants because inflation is the number one danger."

Mr. Samis: Two minutes.

Mr. Di Santo: While the Treasurer absents himself with our permission, I would like to

direct my remarks to the Speaker and tell him that for tactical reasons the Conservatives are also willing to say different things in different places.

The Conservative member in Ottawa, finance critic Donald Blenkarn, a well-known right-winger, said on September 6—

Mr. McClellan: Is he the finance critic for Mulroney?

Mr. Di Santo: Yes. He said the federal government should drop the six-and-five program and concentrate on lowering unemployment because that is the major problem at this time. The business community—I do not know what that is specifically, except that most of them are contributors to the Conservative Party of quite a sizeable amount of money every year—does not like that music.

Why do they not like that music? Because, being members of an anachronistic group that does not understand the realities of 1983, they still think they must live in a preserve where they can treat labour as a cheap commodity and make profits using the government as a tool for their enterprises. That is exactly what happens in Canada and in Ontario.

5 p.m.

While the government imposes restrictions on the public servants' wages, we know that when it brings down the budget it gives all kinds of exemptions to corporations. It gives tax deferrals and grants because, in the words of the previous Treasurer, the private sector creates jobs.

We have to oppose that philosophy, even though it is very difficult to do right now with the prevailing right-wing wind that is the reality in Ontario and Canada today. This government does not realize the consequences of that policy. Perhaps a time will come when people will be affected directly and will ask the government why they are doing this to them.

For example, the North York Board of Education will receive a five per cent increase in funding next year, yet it is cutting the programs for special education and heritage languages. Whenever there is a request for programs that would assist students who have disadvantages, they come up with the usual music that there are no funds available, the government does not give them enough money.

Just recently there was a blatant example of this by the board of education, which is dominated by friends of the Tories here in the province. There is a school called Maple Leaf

Public School, which is quite a distance away for some students—just a few yards short of one mile. In the winter, it is difficult for young children to walk that distance, so the board was asked to provide them with a bus.

The North York Board of Education's policy is to provide a bus when the distance to the school from the place where the children must be picked up is more than a mile. The board refused because of a few yards. We had delegations going there, and the Conservative majority on the board said: "We don't have money. We have to impose restraints on ourselves; therefore, we cannot give you a bus." That is one sad situation. I know many young students who do not attend the school because they cannot walk that distance. This is one situation of which I am aware.

On the other hand, we have situations where the government—and we know the government does it all the time—remunerates its friends without parsimony. For instance, I have been asking the Solicitor General (Mr. G. W. Taylor) to let us know the salary of Dr. Hillsdon-Smith, the chief forensic pathologist. We know the other employees who worked with him last year received a five per cent increase in their salaries. We would like to know how much the chief pathologist receives.

The Solicitor General started by saying we could find that figure in public accounts. We went to public accounts, and for the year 1981-82 Dr. Hillsdon-Smith received \$78,983. But we would like to know how much he receives in 1983. If the other public servants in that ministry received a five per cent increase in their salaries, we would expect that he would have received the same increase, but the Solicitor General does not want to reveal the salary that Dr. Hillsdon-Smith receives.

I put another question on the order paper, and the Solicitor General said on November 8 that he had nothing to add to previous responses in that regard. The previous response was that I should go to public accounts and look for the salary. Of course, the Solicitor General knows the public accounts for 1983 have not been published yet and therefore I could not find that figure in the public accounts. That shows the double standard of this government.

One of the reasons we are opposing this bill, apart from the major and broader implication of the general approach of this government to the economic development of this province, is that there are very serious inequities in this bill. It does not say anything about prices. It talks

about administered prices, but we know very well how the government deals with prices.

We saw just recently what happened with the increases in the rates of Ontario Hydro. As happens every year, we had hearings before the Ontario Energy Board. The Ontario Energy Board went through a long and thorough investigation and came up with a recommendation that the rates should be increased by 6.3 per cent as opposed to nine per cent requested by Ontario Hydro. Then Ontario Hydro disregarded completely the recommendation of the Ontario Energy Board and came down with its own rate increase of almost eight per cent across the board. That shows the seriousness of this government.

We know very well the Minister of Energy can roll back that rate increase. The leader of the New Democratic Party asked that the government roll back the increase of 7.8 per cent that Ontario Hydro had decided upon, but the government did nothing. They come to us and tell us every day that we have to fight inflation, but when it comes to the organizations that depend directly on the government they do nothing.

I wonder how the government can justify to the public, to the nurses and to the hospital workers the decision that they cannot get more than five per cent, which is necessary to fight inflation, but when it comes to Ontario Hydro they accept their dicta without saying anything.

We know very well that if Ontario Hydro requires more revenue every year, it is because of the political directions it receives from the government. The government decided to make a choice in our electrical industry and chose the nuclear route. We know what is happening today. We know that Ontario Hydro is saddled now with an overcapacity for which the consumers have to pay every year, an overcapacity that is inflationary by itself because of the costs of energy.

5:10 p.m.

We know that in 1977, without any apparent reason—except blatantly political reasons, because at that time already we knew what the energy requirements were in the province—the government gave the go-ahead to the Darlington nuclear plant. That plant is becoming a white elephant because we know now, as the select committee told us, that the energy produced by Darlington will not be needed until the end of this century. In the meantime, we are spending billions of dollars, and the final bill will amount to \$15 billion. Who pays for that? The

consumers of Ontario, and that is inflationary per se.

The government thinks it can escape its responsibilities while choosing the more popular route of attacking the public sector because it can count on the widespread support of the public. For the reasons I mentioned before, the government thinks that the public sector is an easy scapegoat in the economic crisis we are going through and that it will come out not only untainted but also reinforced because it is doing the right things.

It is difficult to convince this government to change its approach. It is difficult to convince this government that this is not the right strategy for the province. Of course, it sounds almost obsolete, if not strange, to talk about an industrial strategy for this province. The reality is that in Ontario we have negligible economic growth at this time. There are no new industries coming on stream. We are not taking advantage of the new technologies. We are not developing new factories. We are not creating new jobs. This is because of the approach taken by the government; and that is very wrong, we will pay dearly for it in the future.

In the meantime, the government can count on the support of the very people who are hit by these policies, because the consequences are not known to the full extent and some people are not yet suffering the consequences. We think it is necessary to change that approach and to develop a more meaningful strategy. We think unemployment, rather than inflation, should be recognized as the number one problem to be tackled in the present economic crisis. We repeat that an industrial strategy should be developed to create permanent and meaningful jobs for the people in local communities.

We also believe that within this bill there is inequity and if inflation should be fought, there should also be some equity in the process put into place so that, for instance, those who are earning higher wages should give up more than those who are earning lower wages. That is not part of Bill 111.

We also think prices should be part of the program. The minister cannot convince anyone that one can restrain wages to the point where wage earners must lower their standard of living but at the same time not be entitled to some compensation by controlling prices.

In the present situation more emphasis should be given to the goal of social responsibility. That means an effort should be made to curtail cutbacks in social services and to give adequate

health care. Social security benefits should be maintained and, above all, the government should protect the unemployed, welfare recipients, the working poor and those communities where there is only one industry and where shutdowns create very serious problems and personal tragedies.

I would like to say something that sounds erratic in the context of the Conservative way of thinking. The government must realize that unions are a very important factor in our society. The government should not forget that without consultation and co-operation with the unions it is heading towards an unnecessary confrontation that will create very serious problems in our society.

These are the reasons we are opposed to this bill. I am glad to vote against the bill with my colleagues.

Mr. McGuigan: Mr. Speaker, I am pleased to rise and take part in this debate to speak to the dozens and dozens of members here to listen to these pearls of wisdom.

The minister's cleverness in this matter has been a little too clever. The pattern has been flawless. The flaw in the pattern may be the fact that it fits the map so completely. It is evident even to a simple fellow like myself how the minister has bounced on to the federal six and five program, which in itself was a self-fulfilling program. He realized it was going to work and he jumped on it. Then the deflationary program became self-fulfilling.

Now that he has reaped the political benefit of it and squeezed every ounce out of it that he can, he is throwing the dead body of it on to the municipalities. He is throwing it on to those people who are least able to carry the demands for catch-up that inevitably and always follow a period of decontrol.

We supported this program in the beginning because we realized inflation was killing people, killing our economy and killing our government, and change had to be made.

5:20 p.m.

I would like to cite the example of a person I talked to in the hall following his presentation here in the Legislature to the committee. This chap had on a \$400 suit. I think anyone would recognize it as a \$400 suit, especially the member in front of me. I would say he had on Gucci shoes and probably had a \$20 haircut.

When I talked to him in the hall, I pointed out that if his family income was above average—the average family income in Ontario is some-

thing in the area of \$28,000—and inflation at the time was about 12 per cent, and following an income demand there was an acceptance of 12 per cent, that person benefits by inflation. He benefits at the expense of those people who are below average and have to carry the weight of his benefit.

When I pointed this out he said, "Yes, that is true, but I counted on that when I bought my cottage." The man fully admitted that he expected those lower-paid workers to pay for his cottage. I thought that was a horrible admission. It certainly justified in my mind my stand and our party's stand in supporting this bill.

There are other people who were savaged by inflation besides the people who are below the average income, small businessmen, home owners and farm people. Whether they were going to buy a truck, a small business, a gas station or a farm, they simply looked at the last four or five years of inflationary increases in prices and said: "Today the price is too high, but going by the evidence of the last four or five years it will be even higher tomorrow so I will buy it. I guess I will join all those other people who expect it to continue. The flow of inflation will pay for this."

I think every member in this assembly has had people come to him explaining their financial situation. It would bring tears to the eyes of even a stone. I realize they were caught in that inflationary system. They were being destroyed. Not only their financial state was being destroyed, but their moral and spiritual state was being destroyed in the whole system: I supported the bill because of the terrible things that were being brought about by inflation.

On behalf of the farm community, I want to point out to the Treasurer, who has spoken in somewhat general terms that he is a supporter of agriculture, that he is going to be put to the test. The reason we in agriculture are surviving at the moment is because we are taking whatever excess cash flow we have and we are using that cash flow to pay down our debts. We are not using that cash to buy new equipment.

In the next two, three or four years—I cannot predict the exact time—a tremendous need will develop for the purchase of capital equipment to keep our farm community viable and competitive with agriculturists in other parts of the world.

If the Treasurer is in that position when that time comes, and I know he hopes to be in an even better position, he will be faced with a horrendous demand for capital to keep the farms of Ontario competitive. Just as an exam-

ple, in this past year farm machinery purchases dropped 10 per cent. That is, in 1982 they dropped 10 per cent from their low level of 1981. Even for 1983, when we have hopes that conditions will improve on the farm in the future—and they have improved a bit with grain prices this fall—even then the increase in farm machinery purchases is going to be in the neighbourhood of about only 15 per cent.

I am concerned with the unfairness of the bill as it leaves prices largely untouched. I am not going to go over the list of all of those because other members have done so very adequately.

I want to mention one because of the serious situation with hydro in one of the towns that I represent. Hydro has raised its rates something on the average of eight per cent, which is well above the rate of inflation. One would not be so upset about this if we saw Hydro using that money for some immediate purposes such as stimulating employment, business and industry at the present time, instead of investing it in unneeded megaprojects that probably are not going to be needed by the end of this century.

With the problems they are having with the technology of it, it may not ever be used at all. One can only forecast, but certainly there are very serious signs that would make that very much an adequate question for today.

In the town of Tilbury we have industry humming along at a very acceptable level. The automotive industry has recovered. There is an industry in that town producing fuel-efficient stoves that extract 95, 96 and even 97 per cent of the energy from the gas consumed. They are finding a huge market for these stoves in the United States, as well as a smaller market in Canada.

There is another industry that is producing fuel-efficient windows. When I visited them several months ago, even in the depths of the recession they could not meet the demand for the windows. It was rather interesting that one of the problems they were having was that due to the recession and the fact that so many other manufacturers had let their stock of hardware run down, when they ordered hardware for these windows they found the shelves were empty and they had to go on back order. They were having a hard time getting the materials to keep up with their production.

Another two new industries have come to town. One is engaged in the making of plastic components for seats that go into automobiles. Another is a company that makes lawn trimmers, the type that operates with a little gasoline

or electric motor and spins a nylon cord that trims around trees, gardens and obstacles in the lawn. They are the largest manufacturer in the world of this piece of equipment.

The largest industry in town is Rockwell International of Canada Ltd., which is one of the largest corporations in North America. In Tilbury they make truck axles. I was quite surprised, in visiting that factory about five or six weeks ago, that they are working now with three shifts, whereas about a year ago when I visited it was down to more or less a skeleton crew.

I guess if we look at the traffic now on Highway 3 and see the resurgence of truck traffic, which is an indicator of recovery, we can see the demand is there for trucks.

5:30 p.m.

Because of the good relations that exist in the town of Tilbury between this industry and the labour sector, they are expanding their Tilbury factory at the expense of an American factory. I suppose there are people who would object to that, but as far as Ontario is concerned and as far as my riding is concerned we certainly see that as a positive move.

In bringing that second line to the Tilbury factory—this line is made of very modern robotic equipment that runs itself—one of the robots is an automatic welding machine that picks up the components of the brake assembly for a truck and in one crash of electricity welds all those various pieces together. That crash of electricity takes a very heavy amperage off the line, so much so they cannot operate the second machine they have. The second machine is the one they are relying on to take care of the extra production they are bringing from the United States.

They have approached Ontario Hydro to put in extra capacity and Hydro said, "We cannot do it." That seems so strange, as we have a surplus of hydro in Ontario. We have Hydro actively seeking markets in the United States to sell that electricity and we have them seeking trunk lines to move through various parts of Ontario to provide outlets for that electricity to the United States.

We see them borrowing heavily to finance that. But when it comes to extending a line by about a mile to a factory that is going to employ an extra 65 workers, Hydro says: "It is up to you to take care of all that extra investment in the building, in the plant and all of the new equipment. It is also up to you to pay for the line to bring it in."

I cannot for the life of me understand how we could have such a strange combination of circumstances. Business is booming in this community of Tilbury.

The Deputy Speaker: Is the member going to tie this together with Bill 111? I am finding this extremely interesting, but I wonder how we are getting back to the principle of the bill.

Mr. McGuigan: Mr. Speaker, I am sure the Treasurer in his wisdom sees the connection. After all, he is the man who allocates the money and says how it can be spent. At least the Treasurer would indicate he is in control of Hydro. We often question on this side of the House whether anybody is in control of Hydro. I think the minister would at least lead us to believe he is in control of Hydro. I ask him to take a look at that.

There is another aspect of this bill that bothers me and that is the fact the Treasurer will try to indicate to the people of Ontario that, in his great fairness and even-handedness, he is bringing restraint on even the doctors. In his powerful position, he was going to bring them back from a seven per cent increase to a five per cent increase. How great that sounded outside of this hall that we have a minister here who is really tackling the strong bastion of free enterprise, the free enterprise that takes about \$250,000 to educate each doctor and provide him with a theatre to work in.

It was really an affront to me and to most members of the House, at least on this side of the House, to realize that on the very next day after the end of the program the doctors pick up a nice, healthy three per cent increase.

When I look at the town of Blenheim, which is my nearest town—I live in a little hamlet just outside of that called Cedar Springs; four miles down the road is the town of Blenheim, a town of some 4,500 people, one of the nicest places to live, one of the most progressive towns today—I look at what it might have been back about 1880.

Just behind the town hall, just off the main street, I see a beautiful old Victorian house, a house that I estimate was probably built about 1880, if I am any judge of architecture, which I do not pretend to be. However, it was built some time in that era. I think it would be described even today as a mansion, as far as the size of the house is concerned. Including the basement, it would have three full floors, and probably the attic is big enough to hold a town dance in. It sits on property which, in my mind's eye, is at least one acre of land and might even be two acres.

Going back to the era of 1880, it would have been a feudal mansion in a town of about 1,800 people. There is nothing else in town that comes anywhere close to it, that would be owned by a lawyer or other professional or by a merchant, a lumberman or a grain man.

Mr. Kerrio: Or a Tory cabinet minister.

Mr. McGuigan: Or a Tory cabinet minister. There is nothing in town that comes anywhere near it. The point I want to make is that there is a small number of doctors—and I do not condemn the whole fraternity—who would like to see us return to that system where the biggest mansion in town is owned by the doctor. He can outstrip the lawyers, outstrip the cabinet ministers, outstrip the inventors, the entrepreneurs. No one in town would be able to touch him.

I will give an example. There was a doctor who represented a nearby riding in the federal Parliament who lost his seat in 1980. I understand he is a very fine doctor, a very talented doctor. He took up an offer to go to Texas. The offer was a quarter of a million dollars, plus office, plus a car, all guaranteed.

Hon. Mr. Grossman: What was the address?

Mr. McGuigan: The member does not have that particular skill. I recognize he has a lot of skills, but he does not have that particular one.

Hon. Mr. Grossman: How about former Ministers of Health?

Mr. Nixon: They are a dime a dozen.

Mr. McGuigan: If that is the kind of medicine the Tory government is willing to support—

The Deputy Speaker: Order. Let us all help the member get back to the principle of the bill.

Mr. McGuigan: Thank you, Mr. Speaker. I am glad to get back to the principle of the bill.

I just want to say that if that is the kind of medicine this government supports it is a type of medicine that I as a consumer am willing to forgo. I am willing to take my chances with the humble guy who is willing to get by and live frugally on \$100,000 or \$120,000 a year. I may be depriving myself of some exotic treatment that might prolong my life an extra day or two, or maybe a week. However, I am willing to forgo that kind of treatment and I will take my chances with these \$100,000 people.

Mr. Nixon: They are at the low end of the stick.

Mr. McGuigan: As a matter of fact, I went to a chap with a problem and he charged \$35 a visit. He went to Texas and he was replaced by a man who has opted in. I get better service from

the opted-in doctor than I got from the previous \$35 man.

The Deputy Speaker: I am sure that is a different debate, though.

5:40 p.m.

Mr. McGuigan: It is all tied into this restraint act, and I just want to make that point.

I want to make another point on the doctor question with the Treasurer. People on his side stand up and technically are quite correct in saying, "You can probably go someplace else and find an opted-in doctor." The point is that a person who is sick or in pain or who requires major surgery does not at that point relish the idea of going and finding a stranger. They have a certain faith in their doctor; they have the knowledge that doctor knows the history of the case. The low point when they are facing a dangerous situation is not a time when they can calmly, rationally and unemotionally choose another doctor. It does not really leave one with a great feeling of confidence when one is going with an entirely new crew.

The Deputy Speaker: Order. I do have to interrupt the member's comments just for a moment. He has a lot of latitude in the debate. However, I would ask the member if he would make a really supreme effort to stick to the principle of Bill 111.

Mr. McGuigan: Thank you, Mr. Speaker. I always follow the directions of the Speaker.

One other point I would like to make concerns the minister and his approach to the whole problem of restraint and taxation. He has not restrained himself in taxing. He has taken the simple route of going to the place where the gate is the narrowest, where the people are all bunched up trying to get through the narrow gate, so he can stand at that gate and selectively and unopposedly pick up increased taxes. One of those areas is fuel supply, because people have to have a car to drive to work under our transportation system, to do their business. So he stands at that narrow gate and pulls in those taxes.

He stands at the toll gate for the people who use tobacco—and I mention this because there are many tobacco growers in my riding of Kent-Elgin. All three types of tobacco are grown there—the black tobacco, burley tobacco and flue-cured or Virginia tobacco. He stands at that gate.

He stands at the gate of the people who enjoy using spiritous liquors, and he is standing in the way of an industry that is a fledging industry in

Ontario—just making a comeback—and that is the wine industry. This industry is making a comeback in southwestern Ontario. I would like to point out to all members that the wine industry of Ontario began in southwestern Ontario, not in the Niagara Peninsula. It was economically driven out when tobacco was introduced in Ontario about the time of the First World War. Tobacco took over in the southwest; the wine industry moved to Niagara. Now industry and housing are taking up the land, and so it is coming back to the southwest—not as an experiment but because it was proven as far as the growing conditions are concerned 100 years or more ago.

Statistics tell a story of where this government has failed to support that industry. I will give the House some statistics. Ontario grape sales for our wineries declined from almost 46,000 tons in 1973 to less than 38,000 tons in 1982 in spite of the resurgence of our industry. Foreign wine imports increased from 3.3 million gallons in 1973 to 7.3 million in 1982, almost two and a half times. Sales of Ontario wines to other provinces decreased from 4.3 million gallons in 1973 to 1.8 million gallons. This came at a time when Ontario producers were greatly improving the quality of our wines.

We have a new winery in my riding, the Charal winery, which started some 10 years ago. Charal's gold-medal-winning varietal wines resulted from gambling on planting varietal grapes in strict state-of-the-art vintners' discipline. These people have won some North American gold medals for their wine.

These cottage wineries such as Charal, which is named after Charlotte and Allan Eastman, have made us competitors in the international award-winning winery—

The Deputy Speaker: Order. I mentioned to the member a few moments ago that I find his comments of the day fascinating, and many of them no doubt would fit a budget debate. But I really must ask the member if he really could not bring us back to Bill 111. With all due respect, my only responsibility is to keep us on the principle of the bill at this stage, so I ask the member if he would make a concerted effort in that direction.

Mr. McGuigan: Mr. Speaker, I certainly appreciate the position you are in and I will accede to your wishes because I do not want to be in defiance of the evenhanded rules which come from the Speaker's dais. I would hate to see you put yourself in the position of in any way supporting the unevenness which comes from

that side of the House. I know you want to avoid that in any possible way. You would not think of it, I know, but I would not want to see you inadvertently put yourself in that position.

To sum up, it has simply not been seen by the public as being fair. I would like to point out to the Treasurer that Canadians—in fact, people of any nationality—are willing to endure great hardships. They have proved this in wartime and in times of recession. They are willing to endure those hardships if they see them being applied evenly, if they see them being applied to the fellow next door with the same even hand as it is being applied to them. This government has not done that.

In spite of the success of this program, the government has alienated a lot of people and not just in an electoral way. A lot of people now are disillusioned with the whole democratic system. They are disillusioned with the free enterprise system.

Mr. Martel: That sacred cow? Who got us in trouble?

Mr. McGuigan: That is right. The members of the New Democratic Party did not help out.

The member reminds me of a point that shows the cleverness of the minister. I did not complete my program on that. One of the clever things he did was resist the call for public hearings. Then he made it appear that the real thing was to have public hearings. Just at the right moment he gave in and we had public hearings. Those people came in, such as the man I was speaking about who had the Gucci shoes and the \$400—

Mr. Nixon: He sounds like a socialist to me.

Mr. Breagh: Was it this Liberal member sitting here in our section?

Mr. McGuigan: No, it was not the member for Quinte (Mr. O'Neil). It was a better-looking fellow than he. This guy was really outstanding looking. He could have been a model.

That cleverness on the part of the Treasurer brought those people in and they completely discredited themselves. They did the Treasurer's party a disfavour and they did themselves a then he brings in bills like this that interfere with

Mr. Martel: But it was still the free enterprise system that got us into trouble.

Mr. Deputy Speaker: Would the member for Sudbury East—

Mr. McGuigan: I am not going to engage in a

debate with that member. The minister here would pull me back.

5:50 p.m.

I want to close by saying it is too bad that there have been so many people disaffected by this program. I have to say I am going to vote for it because I detest and hate the effects of inflation. This bill has had some positive effects upon inflation, although most of it has been piggybacked on the federal programs. Because of that, I will probably support it when we come around to a vote.

There are many parts of this bill I find offensive and I just wanted the government to know that.

Mr. Samis: Mr. Speaker, this will be a mercifully brief speech for the Treasurer and I am sure he will be pleased at that.

Mr. Elston: Those are usually the opening remarks.

Mr. Samis: Don't heckle me. It will not be mercifully brief if you do that.

I will be voting against this bill, fully cognizant of the realities that the polls are on the Treasurer's side, public opinion is on his side and the member for Quinte is leaving with his \$400 suit.

The basic question I would ask the Treasurer with a bill like this is, why now? When the statistics came out today, the inflation rate was down to 4.9 per cent. Why now? Last year when we were talking about 12 per cent inflation, the Treasurer could have made a reasonably legitimate argument, but it is now down to 4.9 per cent. Why now?

He knows the economists in the United States are all predicting inflation rates of four to seven per cent for 1984, 1985 and 1986. They see long-term stability in the inflation rate. Yet the Treasurer is coming in with a wage control bill for which there is no economic justification. The only real justification for this bill, like last year, is political. He has the polls that show him the people want it. They think it is a quick fix and it will do something to strengthen his popularity. I suspect Orland French was closer to the mark than most of us when he said the real title of this bill should be, "To take the heat off thtration

process by way of the old smokescreen approach. man Premier some day."

I think that would be a fairer statement of the true intentions of the bill than any of the claptrap we have heard from that side, but we will never get that. I sometimes find it ironic that

these most repressive, most comprehensive, most interventionist bills come from over on that side, from the Conservatives.

When the Treasurer goes down to the fund-raisers, I know he will talk about the value of free enterprise and of the free market economy and of growth in the private sector and of government stimulating it, not interfering. But then he brings in bills like this that interfere with the free market, with market forces. The Reaganites will tell him that when there is a recession with two million unemployed and an inflation rate of 4.9 per cent, one does not need controls. Why is he doing this as a Conservative? He is not a Conservative when he is doing things like this. He is not true to his tradition.

Hon. Mr. Grossman: Do not say that.

Mr. Samis: He is not. He knows he is not. He knows he can have restraint in any society, in any level of government, without any form of legislation. Look at the history of the federal government and of other provinces in the last 30 years. He can have restraint, if he thinks that is what he wants to have, without any form of legislated controls. But the government will not try that. They want to be in tune with the polls and get something that is a quick fix and politically popular.

What did they do this time? They tried to soften it up. They made the local governments the fall guys. They sort of put the whole burden on them. But behind all that smokescreen, behind all the mirrors, we know the constraints are there. They do not just apply to the civil servants right around this building as many people think. They apply to police, firemen, teachers, nurses, health-unit workers, garbage workers, street workers and crown corporation employees, for a grand total of 680,000 employees who are affected by this bill and 6,000 collective agreements.

What they do is pass the buck to the city councils, the town councils, hospital boards, school boards and college boards, and these become the fall guys. We all know the minister's five per cent restriction on transfer payments includes controls in a very disguised form.

Thank God at least for the Charter of Rights and the Supreme Court of Ontario because the minister probably would have had a four per cent wage constraint if he had had his way. He probably would have had even tougher controls than this bill. At least the Premier (Mr. Davis), the polls and the courts moderated that aspect of what the minister was out to do.

Various other spokesmen have pointed out

the inequity in this bill. There are controls on wages, disguised and indirect; there are no controls on prices. I am not going to go through the whole litany of Hydro, GO, Royal Ontario Museum, licence stickers, gas, tobacco, alcohol taxes and government advertising. The simple fact is that the record shows there were no real effective controls, no equity, no balance and no teeth. There is interference in the arbitration process by way of the old smokescreen approach. We all know there will be back-door controls in terms of arbitration.

It bugs me when I see controls on wages, especially when this government froze the wages of the poorest people in this province, the people who work for minimum wage, for 25 months. The fact that the minister will take the extension into next year amounts to a 29-month freeze on minimum-wage workers in this province. It is really obscene when one considers what minimum wage earners receive; they are at the bottom of the list in Canada. One of the minister's members gets up and says the increase in the minimum wage was 14 per cent. It is really obscene. Nobody else has been under controls like that. These people have had no increase whatsoever in 29 months, and yet the government can waste money galore on Suncor, on advertising, on Minaki and things of that sort.

What we need in this province quite clearly is not wage controls, not this sort of flim-flam, not this pandering to the polls. If one goes out and asks people today what we want in Ontario, what we need in Ontario, they will say jobs, job creation, programs to get young people back to work, programs to retrain people, programs to get our manufacturers producing again, programs to help small businesses hire new people. That is what we need in this province, not this sort of flim-flam.

In summary, I see no need for these controls. The Treasurer has given no conclusive proof of their need and no proof whatsoever of their effectiveness.

I will just close with a quote from Tom Maxwell, chief economist of the Conference Board of Canada. He says, "The effects of six and five can best be described as neutral." At best. The Treasurer has not made any case for legislative mandatory wage control. That is why I would vote against this bill.

The Deputy Speaker: The member for Hamilton Mountain (Mr. Charlton). I might just point out the clock to the member.

On motion by Mr. Charlton, the debate was adjourned.

The House recessed at 6 p.m.

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Peterson, D. R. (London Centre L)
Philip, E. T. (Etobicoke NDP)
Pope, Hon. A. W., Minister of Natural Resources (Cochrane South PC)
Rae, R. K. (York South NDP)
Ramsay, Hon. R. H., Minister of Labour (Sault Ste. Marie PC)
Reid, T. P. (Rainy River L-Lab.)
Rotenberg, D. (Wilson Heights PC)
Samis, G. R. (Cornwall NDP)
Sargent, E. C. (Grey-Bruce L)
Swart, M. L. (Welland-Thorold NDP)
Taylor, Hon. G. W., Solicitor General (Simcoe Centre PC)
Turner, Hon. J. M., Speaker (Peterborough PC)
Wells, Hon. T. L., Minister of Intergovernmental Affairs (Scarborough North PC)
Wildman, B. (Algoma NDP)
Wrye, W. M. (Windsor-Sandwich L)



Hansard

Official Report of Debates

Legislative Assembly of Ontario

Third Session, 32nd Parliament
Tuesday, November 22, 1983
Evening Sitting

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday, November 22, 1983

The House resumed at 8 p.m.

THIRD READINGS

The following bills were given third reading on motion:

Bill 86, An Act to amend certain Acts respecting Regional and Metropolitan Municipalities.

Bill 87, An Act to amend the Police Act.

INSTITUTE OF MANAGEMENT CONSULTANTS OF ONTARIO ACT

Mr. Shymko moved, on behalf of Mr. Robinson, second reading of Bill Pr26, An Act respecting the Institute of Management Consultants of Ontario.

Motion agreed to.

Third reading also agreed to on motion.

House in committee of the whole.

HEALTH DISCIPLINES AMENDMENT ACT

Consideration of Bill 92, An Act to amend the Health Disciplines Act.

Hon. Mr. Wells: Mr. Chairman, I have several amendments to the bill. The first amendment I would like to move is to subsection 64a(3) of the act.

On section 1:

The Acting Chairman (Mr. Robinson): Before you do, may I inquire whether there is any previous discussion on section 1? If not, is it the pleasure of the House that section 1 carry?

Mr. Nixon: Wait a minute, Mr. Chairman. I appreciate that the minister has an amendment to section 64a of the act, which is part of section 2 of the bill, but I just want to be sure before we carry the first section as to whether my colleague, the member for Hamilton Centre (Ms. Coppins) was fully in approval of that.

Interjection.

Mr. Nixon: She agrees that it may be carried; so you may do so.

The Acting Chairman: That is particularly generous of her, I am sure.

Section 1 agreed to.

On section 2:

The Acting Chairman: Hon. Mr. Wells moves that subsection 64a(3) of the act, as set out in section 2 of the bill, be amended by striking out "other persons" in the second line and inserting in lieu thereof "persons licensed as medical practitioners in other jurisdictions."

Hon. Mr. Wells: Mr. Chairman, I think this follows along with the comments that were made during the second reading debate. There was some question among some members as to what "persons" meant and who might be the persons there.

It is obvious that if the bill were written without this amendment, "persons" could be nonlicensed medical practitioners or indeed could be anyone. Since this is a section on peer assessment, the person or persons who might be chosen who are not members of the college in Ontario should be licensed practitioners in some other jurisdiction. This means they will be medical doctors from some other jurisdiction.

Mr. Nixon: Mr. Chairman, under what circumstances would one want medical practitioners from another jurisdiction to undertake peer assessment of our practitioners?

Hon. Mr. Wells: There are a number of occasions in specific, very specialized specialties where one might want to bring in a doctor from British Columbia, Nova Scotia or Montreal to be one of the assessors. This would allow us to do that.

In the other reference, where it says "members of the college," it means only those who are licensed to practise in Ontario. For instance, my friend will recall in the inquiry of the Hospital for Sick Children, one of the doctors taking part in the Dubin commission was from British Columbia.

Mr. McClellan: Mr. Chairman, I am not sure I understand the original intention of the statute. I understand very clearly what the amendment is. The amendment is designed to make sure that people who are not medical doctors are not permitted to go into a doctor's office and read the medical records of a patient. However, it sounds very much as though the original intention of the ministry when it drafted the bill was to establish committees on peer assessment

which were made up of a combination of medical doctors and lay people.

Either as a matter of historical interest or morbid curiosity, I would be interested to know whether it was the intention of the ministry when it drafted the bill that the committee on peer assessment would include other than medical doctors or whether there was just an inadvertent slip in the drafting of the bill that would have permitted unlicensed practitioners to examine the medical records of patients in the province. I wonder whether the minister could respond to that.

Hon. Mr. Wells: No, Mr. Chairman, it was never the intention that nonmedical practitioners would be part of the peer assessment. It was always intended that it would apply basically to licensed practitioners from other jurisdictions than Ontario. We cannot put in the word "doctors" because it is not easily definable; so the word "persons" was put in.

As my friend the member for Brant-Oxford-Norfolk (Mr. Nixon) always says, this is a great example of the benefit of good, healthy debate in this Legislature. On second reading, it was drawn to our attention through the asking of the questions that "persons" could be misinterpreted and therefore we are bringing forward this amendment.

8:10 p.m.

Mr. McClellan: I have just one other question. What is the actual composition of the committee on peer assessment? Can the minister give us some idea of how many people will be participating in this process and how they will be selected?

Hon. Mr. Wells: I assume the honourable member is asking about the committee on peer assessment that would review the reports the assessors gave. That committee is made up of four MDs and one lay person.

Mr. McClellan: Where is that set out?

Hon. Mr. Wells: That is set out in the Health Disciplines Act. Usually the peer assessment is done by two people. The committee on peer assessment, which consists of four MDs and one lay person, actually does the appointing of the people and then gets the reports back.

Ms. Copps: Mr. Chairman, on the same point: Am I to understand that the committee on peer assessment is made up of four members who appoint peers who will review their peers? Is that how it operates?

Hon. Mr. Wells: That is correct, Mr. Chairman.

Mr. Nixon: I am sure I should be aware of this information, but what triggers the assessment? Let us suppose there is a hypothetical case where a member of this House had information brought to him or her that indicated a medical practitioner was, in the view of some nonprofessional people, not performing up to the standards normally expected. How might the MPP trigger a peer assessment? Does the minister know that, or is that an unfair question from his previous experience as Minister of Health? Otherwise, I could find out by writing a letter, as perhaps I should have.

Hon. Mr. Wells: No, it is a fair question. I cannot answer the honourable member's question in terms of whether a peer assessment could be generated by a member of this Legislature.

The peer assessment basically occurs from a random selection process where in certain areas and certain specialties certain doctors are picked each year. It is not in response to particular claims or problems a member might bring forward. If there were a problem in that regard, I suggest it probably would go to the discipline committee of the college and that committee would look at the problem.

A peer assessment is a process that works on a regular, ongoing basis. It is like a spot-checking process that goes on. The peer assessment committee makes a random selection of doctors and gets the reports back. It is an ongoing process.

As I said in my opening remarks, a lot of it is educational, because of all the cases I indicated, there were very few, if any, in the pilot projects that have gone on that resulted in any drastic action. The whole thing is an educational process because it leads to interviews and talks about the practice with the doctor in the peer assessment committee.

Mr. Nixon: In our committee debates sometimes there is quite a bit of give and take on a subject. I wonder if the acting minister would not agree that between a reference to the discipline committee of the college and taking no action at all, there is a very large area wherein community complaints of a doctor are difficult to act upon. My own experience is that for the college to take action on community complaints, their investigations have to turn up from what we might call far-reaching, unprofessional conduct.

It seems to me that we, as a Legislature, might establish a procedure short of the very serious professional misconduct charges that would trigger the discipline committee to move into

action. It would be very nice if there were some procedure whereby a member or anybody else in the community who might have the ear of the college might have an assessment take place.

It seems to me that anything that would trigger a disciplinary reaction would be extremely serious indeed. Yet I think the acting minister might be able to imagine circumstances—certainly I can, from my own experience—where the weight of the college might be brought to bear on one of its members who is something short, at least in its eyes, of it being necessary to be subject to actions of the discipline committee and that it might be able to assist the doctor in getting his or her act together.

I feel quite strongly about that, having experienced the circumstance that continues in my own knowledge, where I believe peer assessment might be at least part of the answer since the college does not feel it has grounds or cause for the more severe and almost terminal disciplinary action.

Hon. Mr. Wells: I am sorry; I should have remembered to say that as well as the discipline committee, the college has a complaints committee. The complaints committee can admonish a doctor and can handle a thing in a far less severe manner than the discipline committee. We have the complaints committee where any member who had a problem could direct that problem. Then there is the discipline committee, but the peer assessment program is sort of beyond that; it is an ongoing spot-checking program by peers of their peers in the province and random selection going on all the time quite apart from specific complaints.

Mr. Nixon: I cannot wait until the random selection gets this guy.

Hon. Mr. Wells: It is just like one's income tax.

Ms. Copps: Obviously I am in full support of the amendment, but I think there may be a bit of discrepancy. I believe the minister's intention in moving the amendment to subsection 64a(3) of the act is to ensure that all those who have access to the records are persons who are licensed as medical practitioners either in the province of Ontario or otherwise.

However, I understand from what the minister has said about the composition of the committee on peer assessment, that it comprises three medical practitioners and one layperson, and that under section 2 of the bill, in subsection 64a(5)(c) of the act, the peer who is appointed to do the assessment is required to

provide to the committee any "information requested by the committee or the assessors, as the case may be, in respect of the care of the patients by the member or by the member's records of the care of the patients."

I understand the minister is not prepared to support our amendment, which would clarify that once and for all, but it appears that on the one hand he is moving an amendment to make sure those peers who are doing the assessment are covered under the ethical requirements of the college or other colleges, and yet the information that would be available to the committee is information that would be available not only to medical practitioners but also to at least one lay appointee who would not necessarily be bound by the regulations of confidentiality that the minister is attempting to apply in the amendment.

There appears to be an inconsistency and I wonder if the minister could speak to that.

8:20 p.m.

Hon. Mr. Wells: As I think my friend will notice, the composition of the peer assessment committee is not laid out in the bill. It merely says the council may establish a committee on peer assessment. As I said, that committee would be appointed probably from four medical doctors and one lay person. I assume the lay person would be one of the people already on the College of Physicians and Surgeons of Ontario committee as one of the Lieutenant Governor in Council appointees.

There are already lay people on the discipline committee and on the complaints committee. To get at the problem my friend has stated about confidentiality, one should read section 65 of the Health Disciplines Act.

"65(1). Every person employed in the administration of this part, including a person making an inquiry or investigation under section 64, any member of the council or a committee, shall preserve secrecy with respect to all matters that come to his knowledge in the course of his duties, employment, inquiry or investigation under section 64, and shall not communicate any such matters to any other person, except"—and then there are the qualifications which are the normal ones:

"(a) as may be required in connection with the administration of this part and the regulations and bylaws or any proceedings under this part or the regulations; or

"(b) as may be required for the enforcement of the Health Insurance Act;

"(c) to his counsel; or

"(d) with the consent of the persons to whom the information relates."

Therefore the secrecy provisions apply to the medical doctors through the oaths they take and so forth, and also under section 65 to the lay people on the committees.

Mr. McClellan: I had thought I understood the bill but as we proceed I am becoming, as is not uncustomary, more confused. Perhaps the minister could explain something to me.

Is my understanding correct that there is no relationship between the work of the committee on peer assessment, which is described in section 2 of our bill, and the work of the discipline committee of the college which is set out in section 1? Am I correct in understanding that these are two separate functions and there is no relationship between them?

Hon. Mr. Wells: That is right. There is no direct relationship. However, if the peer assessment committee felt a case that came to its attention warranted some kind of further action it could be referred to the executive of the college. It could then find its way back to the discipline committee. However, it is not directly connected so that it would move right on to the discipline committee.

Mr. McClellan: I may be hopping forward, but I think if we ask this question now we can perhaps clear it up. What then is the purpose of subsection 6? As I understand it, it prohibits the peer assessment committee from taking information from the peer assessment and using it as the basis of a complaint before the discipline committee.

If that is correct, if there is that clear and absolute separation between the work of the peer assessment committee and the work of the discipline committee then the kind of thing the minister had stated was a possibility in his answer to my previous question simply could not happen. The information that the peer assessment committee managed to obtain as a result of its perusal of the records of the individual doctor could not be referred to the discipline committee, unless I am missing something somewhere.

Hon. Mr. Wells: No. I do not think my friend is missing anything. I think he is quite right. It means one cannot take the information the peer assessment committee has pulled together, take it all as if it were a case, put it into the discipline committee and use that material.

Obviously, if that were the idea the whole peer assessment program would fall. The medi-

cal profession itself would be concerned that this was not an educational peer assessment to upgrade standards but was perhaps a witchhunt to look for malpractice or things like that, which it is not.

I cannot explain. I would have to talk to the college people to know exactly how one jumps from the peer assessment to the discipline committee, but the clear indication is that once a doctor is referred to the discipline committee it then has to start its own investigation, look at his records and do everything over again, because it destroys the integrity of the peer assessment program if doctors think it is being used and could be used holus-bolus for the committee.

Motion agreed to.

The Acting Chairman: Shall the section as amended carry?

Ms. Copps: I have an amendment to section 2.

The Acting Chairman: Ms. Copps moves that subsection 64a of the act as set out in section 2 of the bill be amended by adding thereto:

"(7) During a peer assessment program conducted in accordance with subsection (2) the identities of all patients shall be removed from records and/or documentation used in the peer assessment."

Ms. Copps: Mr. Chairman, I believe the intent of this amendment was elaborated on during the discussions we had before we moved into committee of the whole. In particular, I am trying to address the issue of patient confidentiality. The chairman will no doubt be aware that the Minister of Health has attempted, amendment was elaborated on during the discussions we had before we moved into committee of the whole. In particular, I am trying to address the issue of patient confidentiality. The chairman will no doubt be aware that the Minister of Health has attempted, through the amendment we have just passed, to address the issue of confidentiality as it deals with interprofessional agreements and the whole question of secrecy or confidentiality in dealings among physicians either within this jurisdiction or in other jurisdictions.

It is my intention through this amendment to carry that one step further in the hope that this Legislature is committed to the guarantee of confidentiality for every patient. Specifically I believe that since the minister by regulation has allowed physicians, where necessary, to guarantee patient confidentiality—and I believe he has discussed possible areas of concern such as

psychiatric care—he has agreed there may be instances where the patient's identity should be removed from the record.

It is our contention, in the interests of the pursuit of patient confidentiality, that patients' identities should be known only to their own physician. The peer assessment should have full access to all the files and medical records but no access to the identity of individual patients. I think it is clear that in the program of peer assessment that has operated in the past we have certainly seen very few, if any, breaches of confidentiality, but we do believe this amendment would inscribe in law a right that should be accorded to every patient.

I think it is clear that the intent of this legislation is to legalize the practice that has been carried out on an informal basis for some time. In that legalizing, we think the minister should not only look at the rights and the responsibilities of doctors to be subject to peer review, but also the rights of patients to have their identity stricken from the record in a case of peer review.

It is in that regard that we are suggesting by this amendment that patient confidentiality be a prerequisite in all the work that is done by the committee on peer assessment and also by reviewers who are appointed by the peer assessment committee.

8:30 p.m.

I understand and reiterate again that the minister has suggested in the Legislature, as well as in his opening statement, that there are occasions where a doctor may choose to keep confidential the identity of the patient in the peer review process. It seems to me the fundamental question is that the decision about the identity remaining confidential should not be the choice of each doctor but should rather be a right accorded to every patient in this province.

I believe if I enter into a fiduciary relationship with a physician it is not with the intention of having my files perused by any other physicians whether they be associated with the college in Ontario or in other jurisdictions. By the present wording of the review amendment the minister is only allowing that particular confidentiality to be accorded at the request of the physician and is not granting that bona fide right to every patient in Ontario.

I think it speaks to the issues that were raised many years ago by the Krever commission and which this government has not seen fit to address to date. I believe that support of this amendment would be one small step towards

allowing patients in Ontario, when they are in consultation with physicians across this province, the right to have confidence that their files will not be perused by any other physician or any other individual who may be party to the peer assessment review we are going to be voting on tonight.

The Acting Chairman: Just before I call on the member for Bellwoods (Mr. McClellan), I want to recognize a Scout troop from Humber West that was recently in the west gallery and has now departed.

Mr. McClellan: Mr. Chairman, you are not allowed to introduce people who are not here.

I do not intend to support the amendment, although I appreciate that the Health critic for the Liberal Party has pointed out an original defect in the bill that is before us. My sense is that the amendment from the minister that was introduced tonight has solved the problem. Before the amendment was introduced we had the strange situation where assessors were simply defined in the bill as persons and could be either licensed practitioners or lay people. These assessors would have the power to go in and inspect the medical records of the patients of any doctor who was being reviewed by the committee on peer assessment.

The amendment has now changed the bill so that assessors have to be licensed medical practitioners. I think it is sufficient that the code of ethics of the medical profession will safeguard the rights of patients whose records are being read by assessors.

There is a particular difficulty with the amendment the Liberal Health critic has introduced because it would require any physician who is being assessed by a committee on peer assessment either to keep a double set of records, one anonymous and one with the patients' names on them, or else they would have to go through all their records with a magic marker and blot out each and every name. There are some real practical problems around the implementation of this amendment.

I do not know how many patients the average physician has on his roster at any time. I would imagine it would be several thousand. Any practitioner who is being assessed by the committee on peer assessment would be immediately faced with the monumental task of going through all the records with a magic marker or some other deleting device and wiping out the identities of all the patients.

First, this would require the duplication of the entire set of files. I do not understand how else

they could do it. They would have to duplicate their entire set of files and then take the duplicated copy and go through it with a magic marker and strike out the name of the patient each and every time it appeared on each and every single individual file.

Some of us have had that experience with some of our select committees. The select committee on the Ombudsman tries to anonymize its cases. It's a tremendous amount of work even to do it on a single-case basis, let alone ask a doctor to do it for his entire case load.

I do not think the solution proposed is a practical one. More importantly, quite frankly we have to depend on the code of conduct of the medical profession itself to safeguard the rights of patients whose records are being read. After all, an individual doctor often will consult with one of his colleagues with respect to treatment of individual patients without necessarily obtaining formal consent from the patient to do that.

I think the profession itself has developed ways and means of operating on a collegial basis as well as on an individual basis with respect to patients in ways that do protect the rights of patients to confidentiality. I assume any betrayal of the kind of confidences that are afforded to the committee on peer assessment would themselves be referable to action under the Health Disciplines Act itself.

In summary, I think the minister has remedied a defect in the bill with his amendment tonight and that the second amendment before us is not really necessary.

Hon. Mr. Wells: Mr. Chairman, I appreciate the concerns my friend the member for Hamilton Centre has. Certainly we want to be sure the confidentiality of patients is not illegally breached or that patients have any real concern that this might happen. I have to think we have taken all the necessary steps that can be taken to guarantee that, while still not allowing to happen some of the things that the member for Bellwoods indicated.

It would be difficult for a doctor if a peer assessment were to occur, and usually these occur, I gather, perhaps spontaneously. If that were to happen he would then somehow, through a lot of work, have to remove all names from the patient records he has. I have no figures to know how many do this, but I am told, for instance, that some doctors in family practice keep their records by families rather than by individual patients. In other words, they might have my file, my wife's file and my three kids' files all in one file.

If all the names were removed, it would be difficult for a person to be able to assess that unless somebody went to all the trouble to change it to patient A, patient B, patient C, patient D and patient E, and made sure everything in that file was absolutely in order and in the right place.

I believe we can guarantee the confidentiality by amending section 65 to make it clear that subsection 64a, which is the new section on peer assessment, applies in that section. It would any way but we are going to move an amendment in a few minutes actually to mention it in that section which establishes—I read the section a few minutes ago—that people who are taking part in any of these assessments or on any of the committees or have anything to do with the peer assessment program must not communicate anything they see to anyone else.

This is the same as what now occurs in investigations under various other sections by other committees of the college.

I really think we have to give this program a chance to operate. It has been operating as a pilot project—not as a pilot project, but it has been operated by the college without the benefit of being in the legislation. It will now be in the legislation. I think the college is aware of those matters and those areas where confidentiality has to be assured. It has made arrangements with doctors who want to keep certain patients' names private and not available to the assessors.

It has taken steps to ensure that all the safeguards will be followed. I do not think we need to turn the program around, which this amendment would do, and make it so that every doctor had to take all the names out of his records before peer assessment could happen. I think that would probably lead to a gradual diminution of the program. For those reasons, we cannot accept the amendment.

8:40 p.m.

Mr. Chairman: All those in favour of Ms. Copps' amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Motion negatived.

Section 2, as amended, agreed to.

On section 3:

Mr. Chairman: Hon. Mr. Wells moves that the bill be amended by adding thereto the following section:

"3. Subsection 65(1) of the said act is amended by inserting after 'section 64' in the third line

and in the sixth line 'or a peer assessment under section 64a.'"

Hon. Mr. Wells further moves that sections 3 and 4 of the bill, as printed, be renumbered accordingly.

Hon. Mr. Wells: Mr. Chairman, I think I have explained what that does. I read the section a few minutes ago. This is the section that admonishes everyone to keep the information that comes into his hands confidential. It now specifically mentions this program in that section.

Ms. Coppins: Mr. Chairman, when the minister was clarifying that earlier on, he mentioned something about breach of confidentiality. I do not have a copy of the full act in front of me, but I wonder if he might elaborate on the suggestion that the breach of confidentiality was allowed in investigations with respect to the Ontario health insurance plan.

Hon. Mr. Wells: The section says that in the course of his duties he "shall not communicate any such matters to any other person except, "(b) as may be required for the enforcement of the Health Insurance Act."

That exception is in there. I do not have a copy of the Health Insurance Act here, so I cannot tell the member what that says. But I assume there are various things there that if one is to get at someone who might be fraudulently using the Health Insurance Act, it may be necessary to make that known to the people who are doing the investigation.

Motion agreed to.

Section 3 agreed to.

Sections 4 and 5, as renumbered, agreed to.

Bill, as amended, ordered to be reported.

On motion by Hon. Mr. Wells, the committee of the whole House reported one bill with certain amendments.

DISTRICT MUNICIPALITY OF MUSKOKA AMENDMENT ACT

Mr. Rotenberg moved, on behalf of Hon. Mr. Bennett, second reading of Bill 106, An Act to amend the District Municipality of Muskoka Act.

Mr. Rotenberg: Mr. Speaker, the purpose of the bill is to make a number of minor amendments to the District Municipality of Muskoka Act. Briefly, the bill will enable the district to determine the charge to the public for providing copies of municipal documents. It will clarify the power of the district to collect utility debts

and reinstate the district's ability to establish reserves.

As has been done previously in the Municipal Act, the bill will increase the interest accumulation rate on debentures, and sinking and retirement funds from five to eight per cent. It will extend to the district the provisions of the Municipal Act which enable a municipality to operate in English or French or English and French.

The bill will delete the emergency measures provisions since the new Emergency Plans Act makes these provisions unnecessary. In addition, it will delete the boundary adjustment provisions since boundary adjustments are now dealt with in the Municipal Boundary Negotiations Act.

As I have indicated, the principles of all these matters have been dealt with in other acts already. I would urge the passage of this bill by the House.

Mr. Epp: Mr. Speaker, I am glad to rise on behalf of our party to indicate to the House that we intend to support this bill. As the parliamentary assistant has indicated, it is largely a housekeeping bill, but I have one or two concerns he may address his remarks to later in summing up. One is on section 6 where we the bill indicates that a municipality during times of war, invasion or insurrection may acquire property outside of that municipality.

I wonder if the parliamentary assistant could indicate why the ministry has suddenly decided to insert this clause in the bill. Is there any reason to believe we are going to have a war, invasion or insurrection? What particular mental strain has he gone through to indicate that a municipality should then set up a municipal government outside of that jurisdiction? Maybe he could indicate whether that would be within the county, region or province, or whether it would be in Hawaii or some other place in the world where they might have a sunnier climate. Would he clarify that for us? I could not detect it from the act itself.

Mr. Rotenberg: Did you say section 6?

Mr. Epp: It is in the explanatory notes where it indicates the municipal council may hold meetings outside the municipality during times of war, invasion or insurrection and to acquire property for that. In giving Muskoka this right or privilege, does the minister intend to extend that privilege to all other 834 municipalities? If so, perhaps he can give us a clarification on why that is necessary at this time. Does it have

something to do with the motion that is coming up in a private member's bill this Thursday on setting up a nuclear-free zone or is there some other explanation for it?

8:50 p.m.

The Deputy Speaker: I think we all appreciate that the parliamentary assistant could no doubt answer your comments in his summation.

Mr. McClellan: I had intended to raise precisely the same question that was raised by my colleague the member for Waterloo North (Mr. Epp).

In an interjection the parliamentary assistant said he did not see anything in the bill that addressed the concerns he was raising. I refer him to the explanatory note referenced under subsection 6(1), which says that section 128 is being added as a section of the Municipal Act to apply to the district of Muskoka. Section 128 permits a municipal council to hold meetings outside of the municipality during times of war, invasion or insurrection and to acquire property for that purpose.

As I understand the statute, we are giving the power to the district municipality of Muskoka through its council to purchase a property somewhere in the world to which the council may retire in the event of war, invasion or insurrection.

Mr. Epp: War is not defined, so it could be some little local brush fire.

Mr. McClellan: Yes. I suppose an invasion could apply to the last municipal elections in the district of Muskoka when it was invaded by a number of cottagers from the municipality of Metropolitan Toronto. Perhaps that is what the parliamentary assistant has in mind.

I am sorry the member for Muskoka (Mr. F. S. Miller) is not here this evening. I am sure he would be privy to any requests that had been made by the municipal council of Muskoka for permission from the government of Ontario to acquire property in the event of war.

Perhaps the parliamentary assistant will be able to tell us where the district council of Muskoka would like to retire in the event of a nuclear holocaust. In short, we are quite baffled and perplexed as to why the good people of Muskoka would be concerned about being able to hold meetings outside their municipality in the event of a war.

This legislation is obviously important for the government since it is one of the priority bills that is being brought before us in the current session of the Legislature. Perhaps the parlia-

mentary assistant can tell us why he needs to give the power to the municipal council of Muskoka to move outside its boundaries in the event of war. Perhaps he can shed some light on the perplexing question as to where they would go in order to be safe because I am sure all of us would like to have the same information, particularly in the event of a nuclear war.

Second, I am confused about the other amendments referenced in subsection 6(1). In the baffling language of the explanatory note, it states that this adds section 104a to the District Municipality of Muskoka Act. Section 104a clarifies the ability of Ontario municipalities to enact enforceable bilingual bylaws and to conduct their proceedings in English or French or English and French.

Again, I would like to know from the parliamentary assistant whether they have received a request from the district municipality of Muskoka to give it permission to hold bilingual meetings in both of this country's official languages.

My reading of the Municipal Act—I am reading from section 7 of the act—suggests that the power of municipalities to conduct their proceedings in English and French or English or French is a totally discretionary power. Again, the language of the explanatory note says what we are doing is clarifying the situation with reference to the district municipality of Muskoka and later in Bill 107 we will be clarifying the situation with respect to Oxford county.

My understanding is that this does not clarify things at all. It simply says they can be bilingual if necessary but not necessarily bilingual. What is the purpose of this section? Is it the expectation of the government that proceedings of the district municipality of Muskoka will, as a result of this statute, take place in both official languages or what?

Mr. Rotenberg: Mr. Speaker, there are two matters before us and I would like to deal with both of them.

In both matters, as I have indicated, these sections were amended in the Municipal Act last year. As is our custom, because the Municipal Act does not apply to regions and each region has its own bill, we are making the regional bills concurrent. They read the same, and we are giving the regions the same powers as is the case with the municipalities which are not part of regions.

This is not necessarily at the request of Muskoka. It is simply to bring the Muskoka act up to the same powers and duties as other

municipalities. Normally, this bill would have come forward last year shortly after the Municipal Act amendment, but because of other more pressing business last fall, which continued in January, we did not get this bill introduced until now.

With all respect, explanatory notes are not legislation and sometimes they confuse more than they clarify. Section 128 of the Municipal Act, if I might quote it to satisfy the apprehensions of the member for Waterloo North, says: "Where real or apprehended war, invasion or insurrection is proclaimed to exist under the War Measures Act (Canada)"—so it is only when it is proclaimed to exist under the War Measures Act—"the meetings of any municipal council may be held at any convenient location within or outside the municipality, and the council of a municipality may acquire and hold such land at such locations and erect such buildings thereon as may be convenient for such purpose and for any other purpose in the municipality."

So this section 128 now becomes part of the District Municipality of Muskoka Act and only kicks in when there is a proclamation by the federal government under the War Measures Act of Canada. I think that clarifies it in that situation.

Mr. McClellan: Where should they hold their meetings? Tell us where.

Mr. Rotenberg: It is permissive to the municipality. If Muskoka wishes in that circumstance, it may hold its meetings outside the municipality if it deems it necessary and may acquire property. I hope that answers the question. I will allow a further question when we are in committee.

Mr. Epp: If the parliamentary assistant would allow a question because—

The Deputy Speaker: I am sorry, we are not in committee; we are still on second reading.

Mr. Epp: We will have to let it go to committee then because I want to raise some other points. I was trying to avoid it going to committee, if the parliamentary assistant could indicate whether or not they have to sell that property immediately afterwards. They could hang on to it for the next 100 years and that would be the excuse to get some land. They could buy land in Hawaii and have their meetings there from now on. It is just like the time when some of them in Muskoka wanted to have their meetings in Toronto.

The Deputy Speaker: If the parliamentary assistant would accept a question at this point—

Mr. McClellan: I think if we have questions we should complete second reading debate and put it into committee of the whole.

Interjections.

Mr. Rotenberg: Mr. Speaker, with respect, I am more than anxious to assist the other members, but I will bow to your ruling.

The Deputy Speaker: If the member speaking will accept the question, that is quite permissible at this stage in second reading. If the member for Waterloo North has completed his question, is there a short answer by the parliamentary assistant that might answer his question?

Mr. Rotenberg: Mr. Speaker, I am afraid I do not have a short answer at the moment, but I think one is coming to me.

9 p.m.

Mr. Epp: On a point of order, Mr. Speaker: This seems to be developing into an important discussion on this matter. I suggest that rather than have this question and answer period during second reading, we should refer it to the committee of the whole. That would give the parliamentary assistant more time to find out what the answers are, since he was not even aware that this section was in there.

The Deputy Speaker: Is the member for Waterloo North then withdrawing his question?

Mr. Epp: Yes, I am.

Mr. Rotenberg: I was aware the section was in. I simply was not aware for the moment what the honourable member was referring to in the bill.

These sections are similar to the section 128 we passed recently. At that time I did not think there was any apprehension about the section. It does allow a municipality to acquire property. To the best of my knowledge, it is similar to acquiring property. I do not think there is anything in the act that requires a municipality to sell it when the proclamation is over.

If that is the situation and if this is a concern of the member, and there may be a valid concern, I would suggest with respect that it should not be done just to amend the District Municipality of Muskoka Act. We should have a look at section 128 of the Municipal Act which applies to all the other 800 municipalities in the province where there is some necessity for requiring a sale and disposal of the land by the municipality after the War Measures Act proclamation ceases. That is something that should be looked at in general legislation.

I want to point out to the member for

Bellwoods (Mr. McClellan) that this has nothing to do with any present, current or possible future emergency. Again, it is put in so that the district municipality of Muskoka has the same powers as other municipalities throughout the province.

As far as the English or French is concerned, this is to make the District Municipality of Muskoka Act concurrent with the rest of the Municipal Act. This was in Bill 150, which we passed just a year ago. It allows any municipality at its own discretion to conduct proceedings in the English language, in the French language or in both languages. That is what we have passed for all municipalities in the province. That is what everyone else in the province has. Whether Muskoka wants it or not, we want Muskoka to have that power for the future. That is why that is here.

These sections, as well as the other sections in the act, are simply to allow Muskoka the general powers other municipalities in the province have. Later this evening we will be doing the same for Oxford and later this session we will be doing the same for some other regional municipalities to bring their acts up to date with the general Municipal Act.

Mr. McClellan: This is a very, very important way to spend our time.

Mr. Rotenberg: Mr. Speaker, it is important to the various municipalities to have these things done. It would seem to me they could be done reasonably quickly, because the principles have been adopted by the House. It is far more important for us to spend five or 10 minutes on Muskoka or Oxford than to have continuous speeches as we had this afternoon saying the same thing about another bill.

Motion agreed to.

Bill ordered for committee of the whole House.

COUNTY OF OXFORD AMENDMENT ACT

Mr. Rotenberg moved, on behalf of Hon. Mr. Bennett, second reading of Bill 107, An Act to amend the County of Oxford Act.

Mr. Rotenberg: Mr. Speaker, very briefly, this bill is very similar to the one we have just discussed. It adds the same provisions to the County of Oxford Act as were added to the District Municipality of Muskoka Act.

Mr. Epp: Mr. Speaker, the parliamentary assistant is quite correct. It is essentially the same as the bill we have just discussed with respect to the district municipality of Muskoka.

Therefore, my comments relating to section 6 in the previous bill also relate to section 6 in this bill. I presume the parliamentary assistant will get the full answer for us when we deal with these in committee so that we can have a clarification, particularly of that section. Therefore, I will terminate my comments with those words.

Mr. McClellan: Mr. Speaker, my colleague was entirely correct. Once again, we have a number of housekeeping amendments, some of which are obviously quite useful. However, then we have this utterly bizarre addition of section 128 of the Municipal Act giving, I assume, the county council of Oxford the power to hold its meetings outside the county during times of war, invasion or insurrection and to acquire property anywhere in the cosmos, I assume, to hold its meetings in relative peace and quiet.

I am disturbed by all the noise of a nuclear war or an invasion, or even a conventional war or an apprehended insurrection. Since I have discovered this evening that we are permitted to ask questions during second reading debate, is it the intention of the government to proceed through each of the 800-plus municipalities over the course of the next few seasons and to move these amendments?

The Deputy Speaker: Does any other honourable member wish to participate?

Mr. Rotenberg: It is customary on second reading for all the questions to be asked, and then I will answer them at the end. So I assume—

The Deputy Speaker: Order. The comments of the parliamentary assistant are not in order yet, unless we have established that no other member wishes to participate in the debate. If not, the parliamentary assistant.

Mr. Rotenberg: Very briefly, section 128 is already enacted for probably 750 to 800 municipalities in the province as part of the law of Ontario. It just does not yet apply to some of the regions, because the regional acts have not yet been amended so that section 128 applies. It applies, as I say, to the vast majority of the municipalities in this province. I cannot remember any members at the time objecting to the enactment of this legislation.

Mr. R. F. Johnston: You'd better get a list prepared of where these people are going to meet during the insurrection.

Mr. Rotenberg: With respect, Mr. Speaker, this is—

Mr. McClellan: Don't you know?

The Deputy Speaker: Order. The parliamentary assistant will continue with his remarks.

Mr. Rotenberg: Mr. Speaker, it is interesting that when we get what is considered to be a housekeeping bill, there are always people who can find something to talk about to take up the time. Of course, it is the right and the duty of every member of the Legislature who has a concern about a bill; it is the right and the duty of every concerned member to bring these things forward.

I simply want to stress that this is what is known as permissive legislation. It does not require the municipalities so to do. It simply gives Oxford the power, if it so desires at the time of an insurrection, war, etc., to set up emergency government if it wants to. There is no requirement so to do. Almost every municipality now has that power. On that basis, I think I have answered the question. I have no further comment on the bill.

Motion agreed to.

Bill ordered for committee of the whole House.

9:10 p.m.

House in committee of the whole.

DISTRICT MUNICIPALITY OF MUSKOKA AMENDMENT ACT

Consideration of Bill 106, An Act to amend the District Municipality of Muskoka Act.

Mr. Rotenberg: Mr. Chairman, I have no comments at this time, unless there are questions.

Mr. Epp: I have some.

The Acting Chairman (Mr. Robinson): To which section are your comments directed?

Mr. Epp: Section 6.

Mr. Renwick: What about section 3?

The Acting Chairman: If you will bear with me, I will call the sections preceding section 6. Sections 1 and 2 agreed to.

On section 3:

Mr. Renwick: Mr. Chairman, I just want to register my personal objection to "a lien on the property of persons who fail to pay public utility bills." I have a personal aversion to the public utility companies having that power.

Section 3 agreed to.

Sections 4 and 5 agreed to.

On section 6:

Mr. Epp: Mr. Chairman, can the parliamentary assistant clarify section 6 for us? He indicated earlier, during the course of second

reading, that more than 800 other municipalities had this power, during a war, insurrection or invasion, to move their site of government to some other municipality and/or some other location.

I wonder whether the drafters of this resolution took into consideration two things. First, were they really considering the implications of allowing a municipality to move its site of government to some other place in the world? Second, once the war, insurrection or invasion was over, would the municipality be able to keep the property it supposedly purchased or leased, or whatever the case might be, for years to come and hold its meetings there?

There is no clarification in the legislation on this very important matter, and I wonder whether the drafters of this legislation and the legislation as it is incorporated in all the other acts pertaining to regions and other municipalities considered the implications of that. If we can get a clear answer to that, we can deal more directly with the legislation.

Mr. Rotenberg: First, Mr. Chairman, my reading of section 128 would allow the holding of meetings outside the municipality only during the period where we are under the War Measures Act proclaimed by the federal government. Once that is over, the normal provisions would apply and the municipality would have to hold its meetings as the other section of the Municipal Act dictates.

As to the acquisition of property outside the municipality, there is nothing in the Municipal Act which would require the municipality to sell the land at the end of that period. It may sell the property; it would not be mandatory to sell the property.

From time to time, municipalities do hold property outside their municipal boundaries. Probably the best example of that is the site of what is known as the city of Toronto jail farm. Many years ago, the city of Toronto acquired many acres in Richmond Hill at the corner of Yonge and Highway 7. Some people now want to put a domed stadium on that land. The city of Toronto acquired that site many years ago—40, 50, 60 or 100 years ago. The city still owns the property and there is nothing in the Municipal Act compelling the city to sell that property.

Municipalities do have the right, other than in this section, to hold property outside their boundaries. This gives them power to acquire the property for that purpose; it does not require them to sell it at the end of the period.

Mr. Epp: We are dealing with the municipality of Muskoka and, as the parliamentary assistant knows, a good number of people who have their permanent residence outside the area often go and vote there. Some people even run for office there.

We have had a problem, not with Muskoka but with Parry Sound, where I think the majority of members in one of the municipalities have their permanent residence outside the area and take a trainload of people every—

Mr. McClellan: That was the invasion I was talking about.

Mr. Epp: That was the invasion?

What I am saying is that during the War Measures Act a municipal council could decide to buy land somewhere else and have its meetings there, and it could continue to hold the meetings there even after the War Measures Act has been lifted, if the parliamentary assistant is wrong on his reading of the act. He has not asked for an interpretation by a legal expert on that. He just said: "Well, I just think that does not apply, and my reading of the act says you have to sell it. You cannot continue to hold your meetings there."

I am asking him to get a clearer definition. I want a second opinion. That is no reflection on his great mental powers to interpret the act, but I am sure that sometimes he is wrong. He might even admit it, and perhaps this is one of those occasions, and I want a second opinion on it.

Mr. Rotenberg: I think the solicitor for my ministry is now preparing that second opinion. But if one reads the act very carefully, one will see that it says "when real or apprehended war . . . the meetings of any municipal council may be held in any convenient location outside of a municipality." It applies only to the time when the proclamation is in force. It does not give the municipality the right to hold the meetings outside the municipality at any other time. I think the act is very clear. I do not think there is any doubt in the act that this only applies during that period of time.

However, the acquisition of land is somewhat different. It allows them to acquire land at that time, but the member is correct, there is nothing in the act that requires them to sell the land afterwards. It allows them to retain the land after the period of proclamation is over but does not allow them to hold their meetings in such location as they have retained.

Mr. Epp: I find it a little inconsistent that during the periods when we have war, insurrec-

tion or invasion, this property can be purchased but they may hold that ad infinitum. I do not quite see the consistency of it. Why would the government permit them to keep the land if they cannot buy it at any other time except during that very serious occasion, but once they have it they can keep it and do with it what they will, a speculation or whatever?

I do not understand why the government would permit them to do that. I do not understand why it would not bring in some kind of amendment to the act as well as to the other municipal acts where they have to sell that land within a period of a year or two after they had purchased it.

The Acting Chairman: One more go and then we will try to move on.

Mr. Rotenberg: With respect, because this is legislation and we are the parliament, I want to answer any and all questions that may be put forward by the opposition, and without restriction.

I would point out to the member for Waterloo North (Mr. Epp) that although I cannot quote them offhand, there are other situations where a municipality can acquire land outside its boundaries. I quoted the one where the city of Toronto acquired the jail farm many years ago. With respect, I do not think that is the issue in this situation. The issue is really allowing Muskoka to have the same power as all other municipalities have, and I think we should do that.

Although I may not agree with the member's concern, I can understand his concern about municipalities being allowed to own and retain land for this or other purposes outside their municipal boundaries. I will undertake to have some research done, although this cannot be done in an instant or just a few moments, about under which other sections of the Municipal Act municipalities can and do acquire land outside their boundaries and what their powers of retention of those lands are.

I will report back to the member and if after that he considers there is some requirement for a change, then I undertake to consider it—not to bring forth an amendment but at least to consider the change which he is recommending. That is about as far as I can go at this stage.

Mr. R. F. Johnston: Mr. Chairman, this is otherwise known as the A. E. LePage amendment. Can the acting minister tell us whether the jail farm is the place where the city of Toronto will be holding its meetings during any perceived insurrection, or is it just a coinci-

dence that it bought this property for other purposes? Did they buy it during the War Measures Act in the 1970s, or was it bought for other purposes and will it be used for meetings of Toronto city council?

9:20 p.m.

Mr. Rotenberg: I thank the honourable member for his compliment and the promotion. I am not the acting minister, I am the parliamentary assistant.

Mr. R. F. Johnston: I know, but I like to elevate you. If others don't want to elevate you, I do.

Mr. Rotenberg: From your mouth to the Premier's ear.

Mr. Chairman, the jail farm was acquired certainly before the Second World War. I do not know the exact date. Another example to clarify this, the member may know that the R. C. Harris water filtration plant belonged to the city of Toronto before 1953, before Metro. It is in Scarborough but the city of Toronto bought the property in Scarborough for water filtration, so there are a number of indications. This is long before. The jail farm had nothing to do with it. I do not know if the city of Toronto has any plans for emergency measures and where it will go.

Mr. R. F. Johnston: Have any of the municipalities purchased any other lands for this purpose during the war measures crisis in the 1970s? If they were to acquire this property would they have to acquire it at market value, market value during the war crisis, and sell it for the same afterwards? What would be the guidelines for that?

Mr. Rotenberg: I would like to answer the question in the vein it was asked but I think I have more responsibility than that.

I do not know and it really is not the responsibility of this government to know whether or not municipalities have acquired land. We have given them that power under the Municipal Act. It is up to them whether they exercise that power or not. When they acquire land it would be under the land expropriation procedures. If they could not reach a value it would be under the land compensation act, so under the expropriation powers they would have to go to arbitration. If the owner was expropriated and not bought on market, the owner would be protected under the land compensation act.

As far as reselling it is concerned, when a municipality sells land it sells at market to any willing purchaser.

Mr. R. F. Johnston: There is one final thing. It is a matter of whether this would allow the purchase of land outside Ontario or outside the country for that matter, and whether any of our municipalities have done that.

Mr. Rotenberg: The act does not restrict where the purchase would be. I think it would be rather strange to buy it outside the country. One might find a place such as Rainy River buying across the border in Manitoba.

Mr. R. F. Johnston: But if Muskoka were invaded by Parry Sound.

Mr. Rotenberg: If Muskoka were invaded by Parry Sound, I do not think the federal government would proclaim that under the War Measures Act. There would not be a problem.

Section 6 agreed to.

Sections 7 to 10, inclusive, agreed to.

Bill ordered to be reported.

COUNTY OF OXFORD AMENDMENT ACT

Consideration of Bill 107, An Act to amend the County of Oxford Act.

Mr. Rotenberg: Mr. Chairman, as the questions were the same, I think they are all answered. Unless there are any other questions, I move that the bill be reported.

The Acting Chairman (Mr. Robinson): Hang on now; clause by clause on Bill 107.

Sections 1 to 9, inclusive, agreed to.

Bill ordered to be reported.

On motion by Hon. Mr. Gregory, the committee of the whole House reported two bills without amendment.

EXTRA-PROVINCIAL CORPORATIONS ACT

Mr. Williams moved, on behalf of Hon. Mr. Elgie, second reading of Bill 103, An Act in respect of Extra-Provincial Corporations.

Mr. Williams: Mr. Speaker, Bill 103 will allow us to treat all Canadian corporations equally for the first time. The act will, among other things, remove licensing requirements for Canadian companies incorporated outside Ontario.

At present, companies incorporated by the Quebec government, by special mutual agreement, and the federal government, by virtue of the Constitution, do not need an extraprovincial licence to do business here. However, companies incorporated by the other eight provinces must be licensed. This new legislation will remove that discrepancy, treating all Canadian corporations equally. Foreign corporations will

continue to need a licence to do business in Ontario.

The Extra-Provincial Corporations Act will replace part VIII of the existing Corporations Act, completely rewriting legislation that has remained essentially unchanged for 83 years.

There are about 325,000 Canadian corporations active in Ontario. An estimated 290,000 of them are incorporated by Ontario, 30,500 by the federal government and 1,600 by the Quebec government. Only 2,700 companies, or less than one per cent of the total, are from other provinces and will be affected by the change. However, the removal of licensing requirements is an important step forward for Canadian companies. By eliminating paperwork, we make it easier for companies to do business in Ontario, which in turn encourages free movement of enterprise within the country.

This bill has been circulated for comment to many groups, including the Board of Trade of Metropolitan Toronto, the Canadian Bar Association, the Canadian Federation of Independent Business and the Ontario Chamber of Commerce. The chamber of commerce views this proposed legislation as a major step in the trend towards uniformity of company legislation in Canada.

In a letter, the chamber says: "We believe that removal of these licensing requirements will significantly simplify the carrying on of business throughout Canada. Such simplification should benefit the Canadian business community as a whole, particularly if your ministry can successfully encourage other provinces to adopt similar legislation."

9:30 p.m.

I would like to turn for a moment or two to some specific provisions in this bill to show how it differs from the existing extraprovincial legislation. First, I would point out that the definition of "business" has been expanded to include nonprofit activity. This means foreign nonprofit corporations will need a licence to carry on activities in Ontario. I think it is reasonable to demand and maintain information files on foreign charities which could, for instance, solicit donations from Ontario residents.

The bill also contains a clear definition of what constitutes carrying on business as opposed to the somewhat ambiguous definition in the Corporations Act. Ownership of land and provision of services is now recognized as business activity.

Under the new act, there will be three classes of corporations, provincial, federal and foreign,

as opposed to the 11 classes now set out. Of those 11 in the Corporations Act, nine are exempt from its provisions. These include insurance companies, loan and trust corporations, banks and brewers. Certain exemptions will continue under the new bill. For example, loan and trust corporations which are already regulated by the Loan and Trust Corporations Act are exempt.

The new act will give a director appointed to oversee the legislation responsibility for issuing licences and for deciding whether a company can operate in Ontario. No longer will licences have to be issued in the name of the Minister of Consumer and Commercial Relations. Although the director will have the power to turn down an application, approvals are normally a simple administrative function. For instance, only two applications for a licence have been refused in the last 20 years.

New elements of procedural fairness are added in the bill. For example, a right of appeal will exist when a licence is refused or cancelled or when a name is considered objectionable. In addition, sufficient cause for cancellation of a licence or for prohibiting a provincial corporation from operating in Ontario is defined in the bill.

Rules on the use of a name by a provincial or foreign corporation are set out for the first time. The present provisions merely state that a corporation will not be licensed if its name is objectionable, but there are no guidelines for determining what is objectionable. Those guidelines are now spelled out to prohibit the use of names which, for instance, may deceive the public or are used by other companies.

There are also no explicit rules on the continued appointment of a company's agent for service in Ontario. This deficiency will be rectified in section 19 of the bill which applies to foreign corporations by requiring them to maintain an agent for service in Ontario at all times. In addition, an amendment to the Corporations Information Act will require additional information from all extraprovincial corporations, whether Canadian or foreign, which do business in this province.

There are a couple of other matters in the bill which are worthy of mention. First, section 15 is a technical clause which does two things. It removes a defence by an extraprovincial corporation that its actions in Ontario are beyond its powers and provides that there is no constructive notice of documents on file with the director. The penalty provisions found in section 20

of the bill are stiffer than those in the Corporations Act, but in line with other company legislation.

In conclusion, I urge all members to support this bill. It is another example of Ontario's lead in Canadian company legislation.

Mr. Breithaupt: Mr. Speaker, I rise to inform the parliamentary assistant that we will support this bill in principle, but I ask him to consider having the bill sent to a standing committee when the time comes, to discuss certain details of the sections in the presence of informed persons who can give us answers to particular questions.

This draft legislation was first circulated in February of this year by the deputy minister. It arises out of a necessity for changes which will seek to have more uniform commercial legislation across the country. We suggest this is something worthy of support.

With respect to class 3 that is involved in these extraprovincial licensing requirements, those companies will have the opportunity to obtain the licensing. The first two classes will be exempt, so corporations incorporated under the jurisdiction of the Parliament of Canada or any of the other provinces, or with relation to the two territories as well, will be exempt from this requirement.

The introduction of the bill on October 28 was welcomed because we then had the opportunity of ensuring this legislation will, it is hoped, be in place before the fall session ends in mid-December.

There are a number of what one might call housekeeping changes in the bill, but there are also a couple of particular themes that I believe are worthy of discussion as we look at the principle of the bill.

First, the area of appeals dealt with by section 8 is particularly welcome. As a routine, the opportunities to appeal the administrative decisions to the Divisional Court is a pattern we should all support. The other particulars dealing with the contents of decisions or the changes in documentation are the kinds of mechanical developments that cause us no particular concern.

However, concern does arise when we look at section 15. As the parliamentary assistant said, section 15 deals with certain provisions by which an extraprovincial corporation can deal with property and can protect certain extraprovincial corporations from difficulties that arise under the present act.

Perhaps an example will be of assistance to the House. There is a property known as Plaza

100, which is a large apartment development at 100 Wellesley Street East in Toronto. This property was sold by Cadillac Fairview to 481076 Ontario Inc. in 1982. That numbered Ontario company was formed on May 25, 1981, by Mr. Laurence Caroe. The sole director on May 25 of that year was Jack Tse. On August 13, 1981, Caroe became vice-president.

On August 3, 1982, that numbered company, 481076 Ontario Inc., assigned its purchaser's interest in the agreement to purchase and sell to Deerhurst Investment Ltd. This is a Liberian corporation and the signing officer for that corporation was Lucy Y. S. Gomersall of Hong Kong. Caroe signed for the numbered Ontario company.

On October 1, 1982, the transaction between Deerhurst and Cadillac Fairview was closed with Mr. Caroe acting for Deerhurst and Messrs. Goodman and Goodman acting for Cadillac Fairview.

On August 29, 1983, Deerhurst signed a contract with Spar Property Consultants Ltd., of whom we have heard, authorizing that company to represent Deerhurst before the Residential Tenancy Commission.

With respect to the concerns in Bill 103, Deerhurst chose to have a corporation called Fairwin Investments Ltd. act on its behalf so it would be able to avoid having the Plaza 100 transaction scrutinized by the Foreign Investment Review Agency. In fact, Deerhurst convinced FIRA that it was not a foreign transaction because all aspects of the business were being conducted by Fairwin, which was an Ontario corporation.

However, it was Deerhurst that entered into the above-noted contract with Spar. Furthermore, Deerhurst has issued T-4 slips and taken other actions which show that it is handling some of its own affairs.

9:40 p.m.

The problem arises because, as we are informed, Deerhurst does not have an extraprovincial licence and, therefore, its title to Plaza 100 could perhaps be invalidated by an action in court. Indeed, even if Deerhurst was to obtain an extraprovincial licence, it perhaps could not sell Plaza 100 because it may have obtained the property illegally.

Accordingly, under the present legislation, that is to say under part VIII of the Business Corporations Act, the following events could occur: First, Deerhurst might be in some jeopardy of losing its property. Second, Mr. Caroe might be in some difficulty with respect to his

legal advice and his obligations resulting from that advice. Third, Mr. Caroe might well implicate the law firm of Goodman and Goodman with respect to the transaction, and SPAR might well be prosecuted for acting as an agent when it might not have had the authority to do so. Finally, SPAR might well have a claim against Deerhurst for not revealing that it could not lawfully sign a contract.

Those possibilities are only submissions I make to members as to what might happen as a result of the tangled involvement that this failure to have an extraprovincial licence may develop. That gets us then to the contents of subsection 15(1). It is in that subsection I believe we are seeing a major reversal of government policy. It was not even mentioned in the minister's statement in the first reading of this bill.

As I have suggested in the historical information I provided, under present law Deerhurst's title to the building known as Plaza 100 may be invalidated in court. However, once subsection 15(1) of this bill is passed, the purchase of that land, as I understand it, will automatically be validated. It might well be preferable that as an amendment to this act we retain section 346 of the Corporations Act as it now exists with the necessary housekeeping amendments and that it replace subsection 15(1).

Section 346 reads as follows: "Every extraprovincial corporation having a licence under this part or a predecessor of this part, and every extraprovincial corporation exempted under subsection 338(1) from this Part, has power, subject to its act or instrument of incorporation, to acquire by purchase, lease or otherwise, to hold, to mortgage, to sell, to alienate and to convey any land or interest therein in Ontario necessary for its actual use and occupation or for carrying on its undertaking."

That is in accordance with the Revised Statutes of Ontario, 1970, where this section appeared earlier.

So there is an area of concern with respect to subsection 15(1) that should be clarified, particularly with the opportunity of hearing from concerned parties before a standing committee in a hearing that need not be lengthy but should allow for a full discussion of that particular situation.

When we look at the terms of section 20 that deal with another principle in this bill, we are told that every person who, without reasonable cause, does certain things is guilty of an offence. The theme there to be considered is the mean-

ing and the implication of this phrase "without reasonable cause."

Under section 339 of the Corporations Act as it now exists, an extraprovincial corporation or any of its agents can be charged for carrying on business unless a licence has been issued to that corporation. These charges can be laid at different times or all at once, and any or all of the particularly mentioned parties can be charged.

Under this bill, the extraprovincial corporation itself must be convicted before any agents can be charged. This raises a number of problems. First, there appears to be no particular rationale for not charging all the alleged offenders at once. Second, if those involved in the extraprovincial corporation are sufficiently clever and that corporation does not conduct its own business affairs, then it cannot be charged. As a result, it will not be possible to charge agents of the extraprovincial corporation which will, in effect, render the present subsection 20(2) unenforceable. In other words, all of the parties might well be immune from the charges which presumably are possible to be laid under the present section 20 of Bill 103. This, of course, will reduce the strength of existing penalty provisions.

It is difficult to imagine what would constitute this reasonable cause that is referred to in the first line of subsection 20(1). The minister certainly should have the opportunity of explaining that phrase and discussing it, or through the parliamentary assistant and the particular senior officers within the ministry. That occasion would, I think, be useful to have this bill more perfectly designed so we are quite clear as to what the penalties are going to be and what some of the defences might be that are available to the parties which might be involved. Certainly, it is not necessary to water down these penalty provisions in any way. I do think they should be clarified, and that would be an opportunity to do that.

Again, as we are looking to some of the particular themes in this bill, it is important to look at section 21, which deals with the ability to maintain an action before the courts. In referring to the example I have given to the House with respect to this 100 Wellesley Street property, this provision under subsection 21(1) would as I understand it, enable Deerhurst and its agents to conform with the new act and to be absolved from the old. If this section happened to be deleted in committee, then Deerhurst and the agents could now be prosecuted, even if they obtained a licence for this very day, fo

breaching the former Corporations Act. If section 21 is passed as it is, then those agents would be absolved.

The parliamentary assistant has referred to the 11 classes which had existed under the present system for the particular exemption. If we look at clause 24(m), which deals with the variety of classes and exemptions, I think it is important to refer to the fact that the judicial committee of the Privy Council has determined that federal corporations do not have to abide by Ontario laws; that is to say they cannot, in effect, be regulated by the province.

Subsection 338(1) of the Corporations Act does give the cabinet power to reciprocate when another province exempts Ontario corporations. As the parliamentary assistant explained to the House, there is a relationship with Quebec to do just that.

Bill 103, which is before us tonight, will put all of the provinces on the same footing, which I think is good. It provides, as I said in my opening remarks, for the familiarity and uniformity of commercial legislation across the nation. It is hoped that other provinces may take the opportunity to enter into the same kind of general circumstance so as to avoid simply another item of paperwork, which is an unnecessary burden.

The present Corporations Act, in my understanding, also allows the government to exempt certain classes. While this has never actually been done, the principle is there, and that principle of exempting classes through reciprocity agreements is not objectionable. What is of some concern, though, is that under Bill 103 not only will cabinet be able to exempt a class along the lines of the present system, but it will also be able to exempt individual corporations. That is a power I believe cabinet does not at present possess.

9:50 p.m.

It is objectionable if the cabinet, the government of the day, can exempt individual extraprovincial corporations without any open opportunity to consider this, certainly by the Legislature. It is an even more serious offence against the public interest when one considers that the government would not be obligated in any way to publish that order in council.

Deerhurst or any other foreign investor could lobby for and obtain secret cabinet approval to operate in Ontario without a licence. I think that is an objectionable theme. There may well be an answer to it as far as the intentions of the ministry are concerned. If that is the case, we

should hear it and have the opportunity to discuss it in committee. There is, of course, the prospect of adding sections that would ensure that any prosecution under part VIII of the Corporations Act could still be proceeded with, notwithstanding the repeal of that part.

One thing that did rather interest me was that, as we move to the end of this act, we are dealing with the repeal of a certain part of the Corporations Act. I had been under the impression that when the Corporations Act was last brought before this House there was at least the general understanding that it was preferable to have all the corporate law, or as much as was possible, in one statute. I am wondering why the legislation that is before us tonight does not replace part VIII of the Corporations Act with what would be, in effect, amendments to that part rather than creating a new statute.

We seem to go in cycles in this kind of an approach. Within the next several years I am sure we will hive off other chunks of the Corporations Act and, finally, having done that, someone will get the bright idea in about six years' time that this should all be part of one act. We will go through all the mechanics again and put it all back together. Like Humpty Dumpty, we will try to put the pieces back together again. Once we have done that, the cycle will begin again. Two or three years later a part here and a part there will be once again taken away.

I do not recall the necessity of having to set up a separate statute to deal with extraprovincial corporations. There may be a rationale for this, but I think it would have been just as useful to have replaced part VIII with this legislation to improve the circumstances rather than to create a new statute. However, the parliamentary assistant may have a reason for doing it in this way.

In any event, I would end my remarks with what I hope is a complimentary comment to the ministry in that it circulated the proposed legislation back at the end of February. This approach, which, in effect, creates a white paper or an unnumbered bill, is one that is most appropriate in corporate law and other detailed matters. There are certain groups within our society, whether they are dealing with securities legislation or a variety of the other particulars the ministry has, that are peculiarly interested in certain somewhat narrow aspects. They are the ones we should hear from.

The opportunity of getting that kind of input by the circulation of draft legislation is a good way to go. We come up with better legislation

because of the comments that are made by the people who are actually in that business or related to it, whether they be travel agents, life insurance companies or people setting up an organization like the Toronto Futures Exchange.

The parties involved have the expertise. It has always been of interest to me how they are willing to come forward to try to make better legislation, to involve themselves in their professional organizations in enlightened self-interest—and there is nothing particularly wrong with that—to come up with better legislation than any of us could hope to do as we try to deal with it without their input.

The way this bill has come forward is worthy of commendation. I think we will have better legislation the more often we do that sort of thing. However, in order to make this bill even better than it now is, I do look forward to the parliamentary assistant agreeing to have the bill go to standing committee briefly for the opportunity to discuss these points with the parties that are interested in them, so that we will know the legislation is as complete as it possibly can be. As a result, we will have better legislation.

Mr. Renwick: Mr. Speaker, I would like to speak about three or four areas of concern to me in the bill. We do not intend to oppose second reading, but that is not to be taken in any way as being in agreement with the rather naive and superficial way in which the government approaches the question of extraprovincial corporation activity in Ontario. Because the concerns we have would require a very substantial alteration in the philosophy behind the bill, we do not intend to delay its progress through the assembly.

I would hope the parliamentary assistant may consider the need for an amendment in regard to my first comment or give an explanation as to why it is not so. It is that under the present bill every extraprovincial corporation, whether it is a foreign corporation in the sense of being an outside-Canada corporation, or a corporation incorporated in another jurisdiction within Canada, is required under the regulations to have an agent for service in Ontario. That is my understanding of it.

In the bill we have in front of us, we have placed into the statute the provision with respect to having an agent for service in section 19. It applies only to class 3 corporations, that is, foreign corporations—non-Canadian corporations carrying on business in Ontario.

I notice that in the provisions with respect to

regulations the Lieutenant Governor in Council has the power to make regulations respecting the appointment in continuance by extraprovincial corporations of an agent for service on whom service or process notices or other proceedings may be made and the power to be conferred on such agent. It is my view that the statutory requirement as provided in section 19, that only those within class 3 need to have an agent in Ontario, would not be sufficient to support a regulation that required extraprovincial corporations falling within classes 1 and 2 to have an agent for service in Ontario.

I understand that is a serious concern, that it is important when process is issued in Ontario that one be able to find the person in Ontario who can accept service on behalf of the corporation. It matters not whether it is a Canadian corporation, an extraprovincial corporation in the sense of a corporation incorporated under the laws of one of the provinces or the territories, or a foreign corporation in the sense of being a non-provincially incorporated company or non-federally incorporated company.

It appears to me to be the kind of oversight the member for Kitchener (Mr. Breithaupt) was speaking about when he suggested the advisability of the legislation having a review before a committee of the Legislature.

10 p.m.

I certainly would have been interested in having circulated to me, as I had the original draft bill on March 1, 1982, some of the comments made by others. I do not mean the laudatory comments about what a wonderful advance in the field of corporate law this bill is, but to find out whether anyone within the professional field involved with this statute looked at it with a fine-tooth comb and came up with any specific amendments which were incorporated in the bill.

I stand to be corrected but that oversight with respect to an agent within the jurisdiction who can accept service is one that I think we have to look at carefully. That is a matter where this bill can and should be amended. The other areas are ones that are of much more fundamental concern to myself and to members of this party as one will know from preceding debates in relation to this kind of legislation.

There is one particular area, and it is perhaps the second area where I have an immense concern. We have a Corporations Tax Act which goes to the root of the question as to what kinds of corporations are within the taxing net

of the Corporations Tax Act, and the concept of the permanent establishment was developed for the purpose of enlarging to the extent possible the taxing net of the province.

I have never understood why some effort was not made, when talking about an extraprovincial corporation carrying on business in Ontario, to strictly adapt the extraprovincial corporations corporate law bill to the kinds of language used in much greater specificity in detail in section 5 of the Corporations Tax Act. That is the second but major difference in attitude I have towards legislation of this kind.

The third area is an area touching upon concerns we have with respect to the ownership of land in Ontario by persons outside the jurisdiction. I am restricting my comments in this regard to corporations outside the jurisdiction owning land in Ontario. I am not one who thinks for one moment that the Conservative Party is going to pass any kind of legislation that would inhibit the ownership of land by corporations, foreign or otherwise, in this province.

The whole drift of corporate law has been to remove the limitations formerly included in the Business Corporations Act, at present in the extraprovincial corporations section of the Corporations Act, but going to disappear when this bill passes. That provision with respect to the ownership of land is now in section 346, I believe, of the Corporations Act. It is going to disappear.

The provision that was formerly related to business corporations when the Corporations Act governed business corporations, but is now in the Business Corporations Act, has been removed. That is, the limitation on corporations owning land only for their actual use and occupation was removed from the Business Corporations Act when it was passed.

We repealed the Mortmain and Charitable Uses Act, which again was one of the traditional controls in Ontario for having at least some method of monitoring the ownership of land in the province by corporations. We now find this government is pursuing that particular road. It is doing so without ever having given consideration to the provisions of the Ontario Law Reform Commission report on the Mortmain and Charitable Uses Act which tried to deal with the questions. It came quite rightly to the conclusion that the Mortmain and Charitable Uses Act, in so far as it related to ordinary corporations, was outdated. But that did not eliminate the need for the Law Reform Commission to look at some of the policy questions

that were of considerable concern to the Law Reform Commission so it could draw them to the attention of the government. Those concerns have not been dealt with.

This is a matter where, at least in a committee, we would have some opportunity for a brief discussion of what was said. However, I would refer members to provisions in the report dealing with the policy aspects of the ownership of land by foreign corporations. One finds statements such as this: "To what extent can a province control a land holding of foreign or foreign-controlled corporations and, in particular federally incorporated subsidiaries of foreign or nonresident corporations? These questions did not of course fall to be decided in a particular case and they remain unresolved."

It goes on to state: "Furthermore, the select committee on economic and cultural nationalism has made a number of recommendations which would have the effect of ensuring the future acquisition of land generally be substantially restricted to Canadian citizens and landed immigrants resident in Canada and corporations or ventures owned substantially by Canadian citizens or landed immigrants resident in Canada."

The report went on further to say that "while the ancient act was not the appropriate vehicle to achieve the policy objectives outlined above, if indeed it is decided that these objectives should be pursued; the act is too complicated and too little understood. In our opinion it should be repealed, but the matter of controls on foreign ownership of land is one which arises incidentally out of mortmain and charitable uses restrictions. However, if as a matter of government policy it is decided that a system of controls on ownership of land by nonresident corporations and others is desirable, we believe that such a system should be established by new legislation."

In addition, it refers to provisions of the Mortmain and Charitable Uses Act being replaced by a monitoring scheme which is integrated with that now applicable to extraprovincial corporations if that is thought to be desirable. Indeed, they refer specifically to the need to enact, in the Business Corporations Act, a section similar to section 306 of the Corporations Act.

I mention only those particular provisions of the report of the Law Reform Commission on the question of foreign ownership of land in Ontario by corporations, because nothing I have ever heard about the government would lead me to believe that it has seriously given any consideration to monitoring the ownership of

land by corporations, and particularly by foreign corporations or foreign-controlled corporations.

I said at the beginning of my remarks that we are not going to oppose the bill on second reading. We are not going to oppose it because that is a fundamentally different attitude towards the problems that should be addressed in a bill such as Bill 103, to the way in which the parliamentary assistant, the ministry and the government have decided we should revise the existing law.

10:10 p.m.

I certainly recommend to the parliamentary assistant to read up on the corporate setup of the Amway Corp. and Amway Canada Ltd. as outlined in the submission by crown counsel to the court a short time ago, which resulted in a fine being imposed and charges being withdrawn against individual executive officers. The fines were imposed only on the corporations in that event—\$25 million. I would like to know what kind of controls this government has or may exercise in any way over Amway Canada Ltd. with respect to its carrying on business in Ontario.

It is true that in 1978, during the course of the fraud that had been carried out, the company ceased to be subject to the federal statute and, by continuance, was continued as an Ontario corporation. It seems to me it is not beyond the stretch of the imagination to ask what would be the position of this government if Amway Canada Ltd. was, for example, an Alberta corporation and had no licence to carry on business in Ontario. What would the attitude be to the method by which the government would prohibit that company from carrying on business in Ontario by reason of the breach of the Criminal Code that was established in the court by the guilty plea?

That kind of problem seems always to escape the attention of the minister. He seems always to be concerned only with easing the licensing requirements of this government over foreign corporations and never in any way to be considering the kind of information that should be available to the government here in Ontario about the operations of those corporations.

I would ask the minister to consider what kind of application could be made to the court under section 14 if Amway Canada Ltd., instead of being a company continued under the laws of Ontario, had been an Alberta corporation. What steps would the director have taken? How would the director have any knowledge of

whether a company incorporated elsewhere in Canada was in breach of the Criminal Code or of the Provincial Offences Act when he had no information whatsoever about that company other than what may be filed under the Corporations Information Act, which is a separate bill?

Those are the concerns we have about the bill. The attitude and philosophy of this party would be entirely different from the government on the issue of carrying on business in Ontario, on the issue of the ownership of land in Ontario, on the issue of effective enforcement of registration requirements against companies from abroad, whether from abroad in Canada or from elsewhere in the world acting in Canada, to make certain we have some control over their activities in this province.

We now have something upwards of 58 foreign banks, most of which are probably operating in Ontario. Are we to depend entirely upon the federal government regulation with respect to the foreign banks? They are quite likely going to have an enlarged share of the domestic banking business in Ontario simply because the Constitution of the country puts the jurisdiction over banks in the hands of the federal government.

The minister and the parliamentary assistant know as well as I do that laws of general application can be enacted in Ontario with which federally incorporated companies must comply.

For all those particular reasons, we are not going to oppose the bill. There is significant merit in the suggestion of the member for Kitchener (Mr. Breithaupt) that the bill go to committee so it can be given some careful examination, not over a protracted period of time, but careful examination of some of the ancient but still living concepts behind this kind of legislation and the way it is integrated with other aspects of corporate law of the province.

Mr. Williams: Mr. Speaker, first and foremost I want to thank the members of the two opposition parties for their concern and constructive comments with regard to the bill this evening. I would like to try to address as specifically as possible some of the concerns raised by both members. My greatest concern is whether time will permit me to address each one of those specific concerns. I will make an effort to do so.

If I am not able to satisfy the member from the official opposition and the member from the third party sufficiently, it may well be that the legislation should be referred to standing com-

mittee for further consideration. However, on the face of it, substantively speaking as well, the bill deals with a fairly narrow concern and is rather precise in its form.

It is one which can be dealt with in fairly straight responses to the concerns that have been raised. That will remain to be seen as I address those concerns. It may well be that we can settle these matters in this discussion or in committee of the whole House. We will make that determination as we proceed.

Before going to the concerns raised by the member of the official opposition, I would like to put into perspective, as I alluded to a few moments ago, that this legislation is narrow and precise in the sense that it is referring to one specific section of the Corporations Act, part VIII. What we are addressing is a situation that relates to the operation of companies in this province that represent less than one per cent of all corporate activity within this province.

The vast bulk of the over 300,000 companies that are doing business in Ontario, particularly after enactment of this legislation, would not be governed in any way whatsoever by this legislation. We are narrowing the number of companies that would be affected by this legislation, but in so doing, we are directing the legislation and giving a new thrust to it in a way that is most appropriate, that is, we are dealing with the total bona fide foreign corporations.

As has been pointed out in my opening remarks, but which bears reiteration, the legislation we are trying to upgrade and improve upon is legislation that has been standing on the books of this province since before the turn of the century. Virtually nothing has been done to make this legislation more relevant to today's situation and make it more fair and appropriate for the purpose of conducting business in this province by truly foreign corporations.

10:20 p.m.

I think we have to have that perspective in mind as we address some of the concerns that have been raised by both honourable members. Some of the remarks that have been made and concerns that have been raised go beyond the scope of this legislation and deal in the broader context with corporate legislation.

Certainly, some of the points raised by the member for Riverdale (Mr. Renwick) are matters that have been discussed on more than one occasion in other forums dealing with the Business Corporations Act when that was before committee and when amendments to the Corporations Act were under consideration by this

Legislature. These broader issues have been fairly and properly brought to the fore and debated on all sides of the House.

I respectfully suggest some of these issues go beyond what we are discussing in this bill which relates specifically to foreign corporations doing business in this province under the definition of extraprovincial corporations.

Let me turn, if I might, to the remarks that were put forward by a member of the official opposition. First, he made reference to section 15. This appeared to give him the greatest concern, as I emphasized in my notes the different concerns he raised. The member for Kitchener cited situations where he felt section 15 would not really protect the people of the province from the activities of a foreign corporation.

I point out to the member that the principles enunciated in section 15 of the proposed legislation are the same in principle as those found in the Business Corporations Act. I refer specifically to subsection 17(3) of the Business Corporations Act, 1982, which states, "... no act of a corporation including a transfer of property to or by the corporation is invalid by reason only that the act is contrary to its articles, bylaws, a unanimous shareholder agreement or this act."

The section we are introducing in this legislation simply mirrors what has been deemed to be good and valid legislative protection in the broader Business Corporations Act. There is a consistency here we felt should be introduced in this bill.

I will have to seek advice on the observation made by the member for Riverdale. I must say I cannot comment as to whether it was in the original draft act or not. I will check that and report. I do have to point out we are endeavouring to be consistent with this legislation. In fact, in other sections we will be discussing as we proceed with the debate on this bill, the members will see there are other sections drawn up in a fashion that is consistent with other sections of the Business Corporations Act. I think it is an important objective of the government in introducing updated and refined legislation that we have consistency with what exists in the parent legislation that governs corporate activity.

Mr. Renwick: I was wrong. It is in the draft act.

Mr. Breithaupt: Section 20.

Mr. Williams: Thank you. Section 20 of the draft.

I hope that response addresses the member's

concern. It certainly explains why the wording of section 15 was framed the way it was.

The member for Kitchener then made reference to section 20 of the bill. I would point out to the member that we are trying to be consistent with regard to the matter of imposition of penalties. It is not necessarily identical with what is in the Corporations Act, but I believe it is consistent with what is in the Business Corporations Act relative to penalties both for individuals and for corporations. It is an effort by this government to provide a meaningful degree of consistency in the legislation.

The member referred to section 20, which deals with the matter of compliance. If I can just turn to this section, it states:

"Every person who, without reasonable cause,

"(a) contravenes this act or the regulations;

"(b) contravenes a condition of a licence; or

"(c) fails to observe or comply with an order, direction or other requirement made under this act or the regulations,

"is guilty of an offence and on conviction is

liable to a fine of not more than \$2,000 or if such person is a corporation to a fine of not more than \$25,000."

Again, as I say, this is a matter that has been gone through in debate when the Business Corporations Act was before this House for consideration. These penalties are consistent with that major piece of legislation.

The member for Kitchener interpreted this as having an effect on a prosecution. I would respectfully have to take issue with that. The section has no effect on a prosecution and only affects an action brought by the extraprovincial corporation.

The Acting Speaker (Mr. Robinson): I would draw the honourable member's attention to the clock.

On motion by Mr. Williams, the debate was adjourned.

The House adjourned at 10:30 p.m.

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Hansard

Official Report of Debates

Legislative Assembly of Ontario

Third Session, 32nd Parliament
Thursday, November 24, 1983
Afternoon Sitting

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday, November 24, 1983

The House met at 2 p.m.

Prayers.

MINISTERS' HEALTH

Mr. Conway: Mr. Speaker, just while members are taking their seats, I note the return today—and I know he has been here on at least one other occasion—of our friend the member for Scarborough Centre (Mr. Drea) who looks very hale and hearty. On behalf of my colleagues, I am pleased to welcome him back in apparent good health.

In welcoming him back, on my own behalf and on behalf of my colleagues, I want to send good wishes to a very good friend of mine, the Provincial Secretary for Social Development, the member for Armourdale (Mr. McCaffrey) who, I read in the paper today, has also been stricken and is not particularly well. To you, Bruce, we wish a full and speedy recovery. May you return and recover so that your squash game, among other things, shows no impairment.

Mr. McClellan: Mr. Speaker, I would like to join with my colleague the member for Renfrew North in welcoming back the Minister of Community and Social Services with whom I spent a most pleasant afternoon yesterday in the great riding of Bellwoods opening a facility his ministry did a lot to support. We look forward to having him back in the wars and we too want to share our deepest concern for and extend best wishes to our colleague the member for Armourdale. We wish him a most speedy recovery and a quick return to this assembly.

Hon. Mr. Drea: Mr. Speaker, I appreciate the comments from the two members. I assure them this is my last return.

I am very pleased to report to the House that I did check on the condition of my colleague the Provincial Secretary for Social Development. He is resting quite comfortably in hospital. We are assured by his wife that he looks 1,000 per cent better than yesterday. The doctors will be conducting more tests this afternoon. I am sure he and his family will be most appreciative of the comments that were made here. Knowing the calibre of people in the House, when I spoke to his family about 45 minutes ago, I told them

precisely what was going to happen. So when they go to see him this afternoon, they will be able to give the best wishes of the members to him.

BALLOON AT LEGISLATURE

Mr. Speaker: On Tuesday last the member for Brant-Oxford-Norfolk (Mr. Nixon) and others raised a question regarding the balloon that was in the front yard on Tuesday morning. I am told it was there to celebrate the 200th anniversary of the first balloon flight in the world.

Just for the information of all honourable members, they are planning to tour the Great Lakes in balloons and would like, if they can arrange it, to travel the world. The important part is they sought and received permission from the Ministry of Government Services to use the area in front of the building.

Mr. Rae: Was it here for refuelling? For hot air? Is that right, Mr. Speaker?

Mr. McClellan: I hope they will not be drinking when they are driving.

Mr. Speaker: You do not want me to comment on that.

STATEMENTS BY THE MINISTRY

AIR MONITORING

Mr. Brandt: Mr. Speaker, I am pleased to announce that the Ministry of the Environment will be acquiring a new air quality telemetry system for use across Ontario.

This system will update and expand our present air monitoring capabilities. The new system will enable us to obtain timely information concerning the air quality in a number of Ontario communities. It will also provide data concerning airborne pollution flowing into Ontario from the United States.

Our present system went into service in 1970. While limited in scope, it has provided seven cities in the province with the widely used and recognized air pollution index. However, public demand for daily information regarding air pollution has grown, the state of the technology has advanced and our present system has become outdated.

Not only will the new system incorporate new

features to protect the public, but it will also improve the efficiency of my ministry's operations. An air quality index will be implemented as part of the system to advise the public of air quality levels and, if necessary, provide me with immediate information to order the reduction of airborne emissions.

At the present time the ministry's air pollution index is a measure of sulphur dioxide and fine particulate matter in the air. The new index will also measure the levels of ozone, nitrogen dioxide, carbon monoxide and totally reduced sulphur compounds. The public will be provided with an up-to-the-hour air quality index and a general description of the air quality, as well as the possible effects of the substances measured.

We will continue to monitor and publish the air quality index for seven cities which are being monitored at the present time: Toronto, Sarnia, Windsor, Sudbury, Hamilton, Niagara Falls and St. Catharines.

Additionally, this new system will incorporate monitoring which will allow us to expand into the cities of Burlington, Oakville, Mississauga, Sault Ste. Marie, Kitchener, Waterloo, Guelph, Oshawa, North Bay, London, Cornwall, Ottawa and Thunder Bay. Other cities may be considered in the future, as the system is implemented.

The new system is estimated to cost \$1.7 million and will be purchased after a competitive bidding process has been completed. My staff are working with the Ministry of Government Services, the Ministry of Industry and Trade, and Management Board of Cabinet to ensure that Ontario and Canadian high-technology companies are given a fair opportunity to provide goods and services for this project.

The decision to install this innovative technology is a clear indication of my ministry's continued commitment to protecting the public health of the residents of this province.

Mr. G. I. Miller: Mr. Speaker, on a point of privilege: I wonder if I could ask the minister if he would include Nanticoke in the new industrial park of Ontario in the new monitoring system.

Mr. Speaker: Order, please. I have to ask the honourable member to place his question during oral question period.

Mr. Sargent: That is a good question.

Mr. Elston: It is a good question.

Mr. Speaker: There is no doubt about that.

MINING LEGISLATION

Hon. Mr. Pope: Mr. Speaker and honourable members, it is my privilege to introduce today important new legislation, namely, the Mining Act, 1983. I am very pleased to be introducing this legislation at this time, when the exploration sector of our mining industry is extremely active.

If we look at Ontario's competitive position in minerals, I believe we have a formidable list of strengths. We have outstanding engineering and operating capabilities in our mining industry. We have regulatory stability and government economic policies which have been conducive to massive investment and reinvestment in Ontario mining and resource industries. We have a skilled and productive labour force. We have sound and fair patterns of labour-management relations, thanks to effective and responsible unions. We have the resources and, through the continuing development of new techniques, we have the skills to find them.

The mining industry has acknowledged this great potential with an impressive amount of exploration and development activity. This year we are witnessing in dramatic form the prerequisite that should lead to a new generation of mines in Ontario. We are witnessing a very high level of claim-staking, even by comparison with Ontario's historical record.

2:10 p.m.

Ontario recently set an all-time record for the number of mining claims staked in a year. More than 60,000 claims were recorded in the first nine months of 1983, already surpassing our highest-ever one-year total of claims staked. In addition, more than 1.3 million assessment-day credits were recorded in the first nine months of this year. Based on projections to the end of the year, it is likely the level of assessment work in 1983 will approach a record high at more than 1.7 million assessment-day credits.

I am sure members will agree that this high level of activity augurs well for the potential of our mineral exploration and development sector. We can see that potential in the increasingly heavy call on the services of our resident geologists throughout the province, particularly in Thunder Bay, Sault Ste. Marie, Timmins and Kirkland Lake.

We can also see the potential in the moves to bring old mines back into production. We see real growth occurring in the expansion of several existing mines. For example, we have seen a \$30-million expansion of the Macassa mine and a \$92-million expansion of the Dome mine at Timmins. Three additional existing mines

underwent expansion this year: the Renabie mine at Missanabie, the Dickenson mine at Red Lake and the Goldlund mine near Sioux Lookout.

We see the potential in new mine development in the new McBean open pit gold mine in the Kirkland Lake area and in the Aquarius project near Timmins. We see it at Hemlo, with known resources of at least 47 million metric tons of ore. At Hemlo we see plans for what will probably be three mines and two mills, with a total capital expenditure of nearly \$500 million.

We see our potential at Detour Lake, one of Canada's largest-tonnage gold mining operations. Investment to date is about \$157 million, with further investment planned well into the 1980s. While our major base metal mines are marking time, waiting for the recovery to improve their markets and prices, we are very fortunate to be witnessing this resurgence in our gold mining activity.

But our potential is not limited to gold. There is the Elliot Lake uranium expansion and other mineral finds in Ontario. We also see increased exploration and assessment work relating to industrial minerals like mica, talc, silica, graphite and calcium carbonate in eastern Ontario. All in all, these new developments present a very positive and promising picture.

As the members well know, this government is currently doing a great deal to encourage the development of the province's mineral potential. Through the Board of Industrial Leadership and Development, the government has undertaken several programs that have assisted the industry. For example, the board has funded the construction of three provincial drill core storage libraries, one each in Timmins, Kirkland Lake and Sault Ste. Marie.

The board sponsors mineral exploration research projects under the exploration technology development fund. It also sponsors the small rural mineral development program and Gomill, the test-custom gold milling project. In addition, the board provides funds for the government's special employment program, including many projects in the mining sector.

The government's efforts to encourage and develop Ontario's mining and mineral potential do not stop here. Under the Ontario mineral exploration program, this government is providing significant financial support to the province's mineral exploration industry.

I am sure the members will agree that this government is doing a great deal to foster and develop Ontario's mineral resources and will welcome my introduction for first reading of

legislative changes intended to have a major impact on the province's mining industry. The legislation I am introducing will provide additional encouragement to the industry.

It is also intended to streamline the administrative and regulative activities of the government. The changes have been a long time in the making. They address a wide range of concerns and issues, and I believe they will be warmly welcomed by the industry, the interested public and the members of this House.

The most important thing to be said about most of these changes is that they are really not very big changes. They are essentially further adjustments to the Mining Act of 1906, which has served the province and the mining industry well. The act does, however, need to be updated to reflect better the needs of the mining industry of the 1980s.

The changes I am introducing will provide for the giant strides made recently in mineral exploration and technology. As well, they will streamline the legislation affecting mineral exploration and development in Ontario. Many of these changes have been the subject of considerable public review and scrutiny and have the support of the industry. All the changes are being introduced in the public interest.

The first change I will mention removes uncertainties from the holders of prospectors' licences. The new legislation provides for a lifetime licence. The sole requirement to maintain a claim in good standing will be the performance of assessment work. As honourable members can see, this change ensures that claims will no longer be lost through forgetfulness or failure to renew a licence. The change will also simplify administration within the ministry.

I am also proposing to simplify the acquisition of mining lands, a change that will benefit both Ontario and the industry. The proposed change will permit staking of up to 260 hectares—about one square mile—in a single block. This will reduce staking costs.

Another change is that cabinet will no longer need to approve exploratory licences of occupation for areas less than 26,000 hectares. This will simplify administration and provide faster service to the exploration industry. Cabinet will continue to approve all exploratory licences of occupation in special cases and for areas greater than 26,000 hectares.

I am also proposing to change the basis for measuring assessment work from the current man-day basis to a dollar basis. Credit will now

be given for all reasonable exploration and geotechnical work, with limited credit allowed for prospecting prior to staking. This change will make Ontario's approach consistent with that of other jurisdictions. It also responds directly to requests from the industry that they be allowed to determine the type of exploration program best suited to their needs.

This legislation also attempts to clarify the relationships between holders of mining rights under a mining claim and private holders of surface rights. The proposed legislation contains specific statements concerning the right of access to perform assessment work. This is in addition to a requirement that the surface-rights owner be given 30 days' prior notice. This is in accordance with the normal practices in most parts of the industry. It should serve to remove the danger of misunderstanding or friction in this area.

The government also proposes to expand the authority of the mining recorder in administrative matters formerly handled by the mining and lands commissioner. This change will provide more immediate and effective service to the mining public and, again, responds to suggestions from the industry. The mining commissioner will continue in a purely judicial role relating to hearings, vesting orders and the like.

Honourable members will notice that the legislation also contains a proposal to end the practice of publishing tax arrears. This is designed to counter the tendency for speculators to take control of mining rights by negotiating with the delinquent owner. It should allow more of these lands to revert to the crown so that they will be available for mineral exploration.

There are two other changes included in this legislation that may be viewed as somewhat controversial by some in the industry. I believe these two changes reflect the new set of attitudes towards our resources and our resource industries that prevails in Ontario. I do not think they should be of any real concern to Ontario's mining industry now or in the future.

The first relates to the filing of a work summary with the ministry. At present there is no requirement that the ministry be informed of all surface exploration work performed on unpatented claims. At present only that work submitted for assessment credits becomes public knowledge.

The legislation I am introducing requires the industry to file a work summary of all surface exploration work performed on unpatented claims at 12-month intervals. The summary will

describe the nature and location of the work, but will not disclose the results, and it will be public information. This additional information will permit both industry and government to have a better idea of what exploration work is being done throughout Ontario. This should help to avoid or reduce duplication of exploration activity. It will thus help to make the total exploration effort in Ontario more effective.

Honourable members may be aware that some companies in the industry have a tradition of guarding all information concerning the locations in which they are interested. The new requirement may, for such companies, be somewhat disturbing. I do not think there is any real cause for concern. I hope the longer-term benefits of this exchange of information will be clear to all honourable members. I want to stress that no one will be forced to disclose results unless he so wishes or unless he can make an equitable arrangement with his colleagues who may be seeking those results.

This change reflects our confidence and the confidence of the industry that there are significant opportunities in mining in Ontario today. This government wants to make sure it stays that way.

2:20 p.m.

Another proposed change in the Mining Act, which I view as truly significant, relates to final or ultimate title to mining lands. As honourable members may know, significant concerns have been raised on this point.

In the legislation introduced today, we continue to provide for reasonable title to mineral rights and the surface rights necessary for the development and operation of new mines. In addition, in the proposed new act, even an application for a lease is not mandatory. Claims may be held simply by continuing to do work.

I trust that the publication of these legislative proposals will serve to end any uncertainty that may have existed.

In this legislation, provisions have also been made for restricting the use of surface rights over potentially unsafe, inactive mine workings. This provision is designed to safeguard both life and property.

As honourable members will see, we are also reserving the right of the crown to permit other surface uses that do not conflict with mining operations on all mining lands. I believe this proposed change clearly reflects our firm approach to multiple use of our resources.

We believe in a co-operative approach to resource development. We believe in establish-

ing partnerships with industry and with the public to facilitate development and the multiple use of our resources.

In summary, the changes I have proposed today accomplish three things. They update the Mining Act of 1906, they make allowance for the rapid improvements that have been made in exploration technology and they represent a simplification and streamlining of the legislation affecting mineral exploration and development in Ontario.

I am also confident that the proposed changes I have outlined today have the added benefit of encouraging the wise and responsible development of Ontario's mineral wealth.

ORAL QUESTIONS

TENDERING PRACTICES

Mr. Conway: Mr. Speaker, I have a question to the first minister.

A few hours ago a senior deputy minister appeared before a standing committee of this Legislature. On critical questions about the administration of public funds in the Ministry of Government Services, that deputy minister, Mr. Alan Gordon, appeared not only to have contradicted himself but also to have sharply contradicted his former boss, the Premier's parliamentary colleague, the member for Lanark (Mr. Wiseman), and therefore created a cloud of genuine suspicion about what actually happened in those critical questions raised in the Provincial Auditor's report to the standing committee on public accounts a week ago.

What steps is the first minister prepared to take to remove the suspicion and the cloud of doubt over who is telling the truth in the Ministry of Government Services about what happened in those critical questions raised by the Provincial Auditor's report a week ago?

Hon. Mr. Davis: Mr. Speaker, I was not present during the discussions this morning, but I understand the honourable member who asked the question raised certain issues with the deputy minister and indulged in a certain measure of rhetoric that was totally unsupportable, but I only get that by hearsay.

For the member to ask me my point of view, not having been present and not having discussed it with any of the participants, is asking a great deal. I will be interested as the members of the standing committee on public accounts continue their deliberations, which I understand they will be doing next week, and when

their final report or conclusion is reached perhaps then I shall have some comment.

Mr. Conway: This morning's hearings have added a second frame to our initial concern, which was who is running the store over there—ministers chosen by the Premier and responsible to their electorates or deputy ministers appointed by the Premier and presumably responsible to him?

In addition to the issue of who is running the government of Ontario, as a result of Mr. Gordon's testimony this morning, we now have a second very important question about who is telling the truth about what particularly and exactly happened, for example, in the issuance of the contracts to Allan W. Foster and Associates, the hiring of a \$900-a-day consultant, or who actually told whom what about the Telepac contract related to the publication of the government telephone book, in which contract there was the unauthorized expenditure of approximately \$750,000 over the stated protest of the then minister.

Mr. Speaker: Question, please.

Mr. Conway: In view of the fact that a number of members of that committee, members of this assembly, are now deeply concerned about who is telling the truth, will the first minister, as the boss, as the man on whose desktop these bucks come to rest, give the people of Ontario and this assembly, as their representative, his personal prime ministerial undertaking this afternoon that he will immediately proceed to set in motion a course of events to get at the truth and to remove expeditiously the cloud of doubt that has arisen about who is telling the truth and who is running the store deriving from this morning's hearings in the public accounts committee?

Hon. Mr. Davis: I would never say, in a government of this nature dealing with a complexity of issues and a budget of some \$25 billion or \$26 billion, that there are not areas that are open to constructive criticism. But if the member is asking me whether I believe this government is running the store relatively well, the answer to that in very simplistic terms is yes, that is my belief.

If the member is asking me to make a judgement, not having heard any of the discussions this morning, and to accept his point of view as to what his impressions may have been—as objective as I am sure they were not—then I think he is asking a great deal.

I say with the greatest of respect that I have

listened to the member and many of his speeches about the rights of individuals, integrity and how we should be so careful when we talk about other individuals. I know it is easy to single out a deputy minister who has some difficulty in this forum of defending himself, but to suggest that I can at this moment make certain judgements which in his own mind he obviously has already made, which I find regrettable, I think is asking a great deal.

I take some pride in the way this government is administered. The public accounts committee is dealing with this issue, I hope with some sense of fairness and objectivity. I can assure the members of this House that when the members of that committee have concluded their deliberations on this issue I am quite prepared to take a look at whatever it may be that will be reported.

I can think, perhaps in historical terms, of other issues. If the member had asked the first minister to intervene while a committee, including the public accounts committee, was in the midst of discussing a certain issue, he would have accused me of interfering with the legislative process and with the rights of the individual and of private members. The member should correct me if I am wrong.

The only brief understanding I have of this morning's meeting, from about a 30-second discussion, because I was not present, is that the public accounts committee, in order to clarify some aspects for it, has asked the Secretary of the Management Board of Cabinet to appear next week. If I am wrong in that information, if that is not what the public accounts committee is doing, and if the member has made his final judgement and Mr. Carman is not to appear next week, then will he please correct the impression I have been left with?

Mr. Wildman: Mr. Speaker, if the Premier is interested in the standing committee on public accounts making a fair and objective judgement and in hearing the relevant testimony, can he please explain why the members of the government party on that committee voted this morning against a proposal to bring the member for Lanark before the committee so he could clarify the direct contradiction that was in the testimony this morning and so he could defend himself before the Legislature and the committee?

Hon. Mr. Davis: Mr. Speaker, I have really great confidence in the members of our caucus. They have been able to make their own determinations. They act with objectivity.

Mr. Martel: There should no predetermination then. You just said you do not make a predetermination.

Interjections.

Mr. Speaker: Order.

Hon. Mr. Davis: On this issue and many others, I will match the conscience of the members on this side of the House with the member's conscience or any of his colleagues' on any single issue.

Mr. Martel: You want a fair determination. You guys have done it before.

Mr. Rae: Coverup; we know a coverup when we see one. If we cannot ask him questions in the House, where can we ask them?

Interjections.

Mr. Speaker: Order.

Mr. Rotenburg: Mr. Speaker, on a point of order: Although you may not have heard the remark, the leader of the third party accused members on this side of a coverup. I think that is improper language and I think he should withdraw it.

2:30 p.m.

Mr. Speaker: Thank you.

Mr. Conway: Will the first minister give an undertaking to do the following? Will he find out and report back to this House whether Alan Gordon, the Deputy Minister of Government Services, was, as far as the first minister can determine, telling the truth in August when he said his minister, the former Minister of Government Services, the member for Lanark, did not know about the Foster contracts, or whether the truth was told this morning when the long-time deputy minister, Mr. Gordon, indicated in committee that the former minister did know about those contracts to Allan W. Foster and Associates? Will the first minister give a specific undertaking to make a prime ministerial effort to determine the truth of that matter and report back to this assembly at his earliest opportunity?

Hon. Mr. Davis: I have not been privy to all the discussions, nor have I—

Mr. Sargent: Yes or no?

Hon. Mr. Davis: I rather enjoy the member for Grey-Bruce (Mr. Sargent) on occasion. But once again, in that 30-second report, and it really was 30 seconds as it related to the deliberations of the public accounts committee, I think on careful reflection—I was going to use some other word—the member for Grey-Bruce

might reflect on some of the personal observations he made at the public accounts committee meeting this morning. It is one thing to be critical and to point out deficiencies or inadequacies, but it is another thing to attack a person in a very personal way. I say that very kindly. It may have been supported by the member for Renfrew North (Mr. Conway); he may have shared the same feeling. I would be surprised and disappointed.

Dealing with the question the member asked, I can only reiterate what I said. I quite honestly do not know whether I read the actual statements that were made or not made in August. I cannot recall what the press reports were. I confess that to the member.

In answer to his initial question, this matter has been referred, and I think properly so, to the public accounts committee of this Legislature; it is in the process of dealing with it. The member has asked Mr. Carman, the Secretary of the Management Board of Cabinet—and I hope the chairman will correct me if my impressions are wrong—to appear and to deal with some of the issues that were raised this morning.

In fairness to everyone concerned, if the public accounts committee is going to continue this discussion, then surely the information and advice of people who are much closer to this than I am should be given and discussed with the public accounts committee before any judgement is made. That is all I am asking of the member. To me, it does not seem at all unreasonable. It is the process we have used and the process the public accounts committee is pursuing at present. Surely the member would want to see that brought to a formal conclusion.

Mr. Conway: Mr. Speaker, I have a new question to the first minister on the same subject. Is it not a fundamental corruption of the basic principle of responsible government when we have a former minister of this government, the Premier's parliamentary colleague the member for Lanark, fired, apparently because, among other reasons, he tried to hold the line on public expenditures, while a senior mandarin of 17 years' experience is kept in the public service and defended by the first minister after the Provincial Auditor has reported to the assembly that that particular long-time deputy broke government rules on a couple of occasions and, in one case, with apparent wilfulness? Often, he did a clear end run around his minister.

Would the Premier not agree that it represents a corruption of responsible government to have this civil servant still running around

spending public money while the responsible minister was sacked by the Premier and he had the choice to take a stand on this issue?

Hon. Mr. Davis: Mr. Speaker, I will try to restrain myself in answering the question, although there is the temptation to burst that bubble of rhetoric and that great ego that exists in the mind of the honourable member, the self-righteous approach that he takes on so many of these issues.

Mr. Foulds: You always take the high road, Bill.

Hon. Mr. Davis: I say to the member for Port Arthur, he has not seen the high road in quite a while. He has not seen it.

Mr. Foulds: I have been here associating with you for too long.

Mr. Speaker: Now back to the question, please.

Hon. Mr. Davis: The only thing I know about those people is that their leader goes before the Ontario Federation of Labour and says, "Labour in the province"—

Mr. Speaker: Order.

Mr. Martel: Change the subject. Change the subject, Bill.

Hon. Mr. Davis: Strictly because he has the good sense—

Mr. Speaker: Never mind the interjections.

Mr. Martel: No, he has to change the subject. That is the usual game.

Mr. Speaker: Order.

Mr. Martel: Well, you let him run on. He wasn't even answering. You get away with anything, you guys.

Mr. Speaker: Order.

Hon. Mr. Davis: I say to the member for Sudbury East, if he would just be quiet for a moment or two he would not leave himself open to this sort of embarrassment.

Mr. Martel: Anything at all; anything irrelevant. Come on. Change the subject, Bill. Get off the hook.

Mr. Speaker: Order. Quite obviously they do not want to hear the answer.

Mr. Conway: If the first minister is interested in getting to the truth of this matter, which is of vital interest to the people of Lanark and Renfrew and to others in Ontario, will he give an undertaking that the member for Lanark will have an opportunity to appear before the public accounts committee to clear his name, because

he and his integrity have been impugned, inadvertently or otherwise, by the testimony of the current and the former deputy minister?

Will the first minister, interested as he says he is in the truth of the matter, give an undertaking to see that the member for Lanark will have his day in the public accounts committee so he can tell his side of the story in view of the fact that six of his parliamentary colleagues on that committee, hours ago, stood as one to deny that opportunity to the committee?

Hon. Mr. Davis: I think the member for Lanark, who is a very valued and loyal friend of mine in a very personal way—

Mr. T. P. Reid: What do you do to your enemies?

Hon. Mr. Davis: I only say to the member for Rainy River, he has left himself very vulnerable because on occasion he has asked me to do something for those who are my political enemies.

Mr. Martel: That is a good answer too.

Hon. Mr. Davis: If he wants to see other names on the list—

Mr. Speaker: Back to the question, please.

Mr. Rae: Explain yourself.

Mr. Martel: He has answered the question.

Hon. Mr. Davis: Mr. Speaker, I am attempting to answer the question of the member for Renfrew North, but there are some in the ranks of the New Democratic Party who cannot wait their turn; they keep interjecting. I am just forced to keep reading the headlines about fickle labour not supporting them.

To answer to member's question, I think that is a determination to be made by the public accounts committee and by the member for Lanark.

But if I may, I want to revert to the first question. I expect the member will never accept it, because I have sense of how his mind works, but when it comes to a decision with respect to those who enter cabinet and those who, for whatever reason, are asked to leave the executive council—which is always the most difficult responsibility of any first minister—if the member for Renfrew North really believes the one is related to the other in terms of what has emerged in the views of the deputy of that particular ministry, I can only say to the member that he is totally wrong. He can accept it or not—I have a feeling he will not—but it just happens to be the truth, and I know the truth

sometimes is hard for a political adversary to accept.

2:40 p.m.

Mr. Wildman: Mr. Speaker, repeatedly this morning the deputy minister said that despite what appears to have been a direct disagreement between him and his former minister, he had the appropriate authorities in agreement with what he did. Can the Premier explain what on earth that means? Who are the appropriate authorities a deputy minister must have in agreement with what he wants to do if his own minister is in disagreement?

Hon. Mr. Davis: Mr. Speaker, once again I have a slight disadvantage here in that I was not a participant in the discussions this morning. I have not read any transcript and I have not discussed it with any of the members on this side of the House who were present. I have not discussed it with Mr. Gordon. Quite honestly, I am not in a position to give my impressions of a fairly lengthy discussion to which I was not a part.

I know the member for Algoma, in his usual fair way, is interpreting what he thought he heard this morning, and I am not going to criticize it; I was not there. I only say to the honourable member that if there are some disagreements as between the views of the deputy minister and those of the Provincial Auditor that might be clarified and solved by the appearance of the Secretary of the Management Board of Cabinet, who does have some responsibility in terms of certain aspects of these deliberations or else the committee would not be inviting him to appear, surely in fairness the member is not going to make his judgements until Mr. Carman has given what he knows of these three or four situations.

The member's party always talks about its great sense of equity and fairness. Do the members practise what they preach, or do they just preach it and at the first opportunity they fail to practise what it is they would like the world to believe they think?

Mr. Conway: The judgement of the independent arbiter, the Provincial Auditor, is now in and before this assembly, such judgement as to suggest that a senior deputy minister of the Premier's government has repeatedly and sometimes wilfully expended hundreds of thousands of taxpayers' dollars improperly or without proper authorization.

What does the Premier suppose that kind of conduct and management attitude says to the

beleaguered taxpayers of Ontario, particularly when, in the light of the judgement of the Provincial Auditor, the Premier continues to stand there with his endless bafflegab to defend this spendthrift over the evidence of the auditor, and when the Premier is so anxious to sack one of his parliamentary colleagues who tried in his own way to give effect to the Premier's much-vaunted restraint program?

Hon. Mr. Davis: If there is anyone who can speak as an expert on bafflegab, rhetoric or self-righteous indulgence, it is the member who asked the question. I am not really attributing motivation, but I have been here for many years and I am always intrigued that the person sitting on the left hand of the present leader of the Liberal Party is always the one who is seeking to be the next leader of the Liberal Party. I understand that. I know what it is—

Interjection.

Hon. Mr. Davis: No, it is him. He is on the left-hand side.

Interjections.

Mr. Speaker: Order.

Mr. Rae: Perhaps it is a question of one left hand not knowing what another left hand is doing, but my question is to the Minister of Labour. It has to do with the epidemic—

Hon. Mr. Davis: You should know all about left hands. Your problem is—

Mr. Speaker: Order.

Mr. Rae: What?

Hon. Mr. Davis: I will not say what I was going to say.

Mr. Rae: Go ahead, say it.

Mr. Speaker: Place your question, please.

Mr. Martel: Maybe you could put it for the third time. Let's go.

Interjections.

Mr. Speaker: Order. The member for York South (Mr. Rae) will please resume his seat.

Mr. Breough: The Premier wants to ask a question.

Mr. Speaker: It is not his turn. The member for York South has the floor.

NURSING HOME LAYOFFS

Mr. Rae: Mr. Speaker, I have a question for the Minister of Labour. The minister will be aware of the epidemic of contracting-out problems that has afflicted the nursing home field and moved into the hospital field, at Thomson House, Brantwood Manor Nursing Home,

Ballycliffe Lodge Nursing Home, Kennedy Lodge Nursing Home and Toronto East General and Orthopaedic Hospital.

I would now like to advise the minister that somewhere around November 9, 1983, 14 full-time staff—eight nursing aides, three house-keeping and three dietary staff—at the Nel-Gor Castle Nursing Home 2 in London were given notice of layoff. The aides are to go on November 30, the housekeeping staff on December 9 and the kitchen staff on December 14. They are to be replaced by contracting services to be provided by Para-Med Health Services which, as the minister will know, is a subsidiary of Extendicare Ltd.

It is clear that a pattern is being established in the nursing home field. This pattern simply has to be broken and it can only be broken by the ministry taking some distinct and firm action. What exactly is the minister doing with regard to this epidemic of contracting-out problems which is having such a devastating effect on job security in the nursing home field?

Hon. Mr. Ramsay: Mr. Speaker, as I indicated in this House when the matter was brought to my attention by the member a week ago, there is no problem at the present time that is more pressing or which carries a higher priority as far as my ministry is concerned.

It is a complex matter that requires considerable discussion and deliberation with the parties involved. It is being addressed by the Ontario Labour Relations Board. In fact, the board has set aside three complete days in the first week of December to look at the matter.

Mr. Rae: I am really surprised that the minister is simply stepping back from this issue in the way he is because he knows perfectly well that the Ontario Labour Relations Board as well as arbitration boards have had to deal with the contracting-out question for well over 25 years.

Given the fact that arbitration boards and labour boards have consistently ruled that they will not deal with the problem of contracting out in the absence of specific language in a collective agreement or stronger language in the Labour Relations Act, that these jobs are being lost on November 30 and December 9 and that people are being put on the street, what is the minister going to do to put an end to a problem which is literally devastating job security in the nursing home field?

Hon. Mr. Ramsay: The present legislation in Ontario is no different from the legislation covering matters of this nature in any jurisdic-

tion in the United States or Canada. My officials and those of the Ministry of Health are trying to cope with this problem. We are trying to find a resolution to it, but it is a complex matter. It is just not something on which we can snap our fingers and come up with a solution overnight.

Ms. Copps: Mr. Speaker, how can the minister say his ministry and the Ministry of Health are concerned about this problem and trying to find solutions when the Ministry of Health is about to enter into a contracting-out agreement for nonservice management in the area of psychiatric hospitals?

Hon. Mr. Ramsay: Mr. Speaker, that is a question that could best be responded to by the acting Minister of Health (Mr. Wells).

Ms. Copps: May I redirect it, Mr. Speaker?

Mr. Speaker: The acting minister is not here.

Mr. Rae: I cannot believe the answers we are getting from the minister because I know he has talked with people and he realizes how serious the problem is because he has met the workers who are affected.

Given the fact that American labour board decisions have been different because, in a sense, they have been dealing with different wording, will the Minister of Labour look at the decisions made by Mr. Justice Laskin when he was an arbitrator in the Peterborough Lock and the Falconbridge Nickel Mines cases 25 years ago? Will he read what Mr. Justice Laskin had to say at that time about the importance of protecting the integrity of bargaining units?

Will he put the wording that is contained in those arbitration decisions into the Labour Relations Act so that an attack on bargaining units by means of contracting out will become an offence under the Labour Relations Act, something which will be specifically prohibited and something which employers will not be able to do in the life of a collective agreement since it takes away from the integrity of bargaining units and threatens the job security of every worker in the province?

Hon. Mr. Ramsay: Mr. Speaker, as requested, I will look at the decision by Mr. Justice Laskin. 2:50 p.m.

KENNEDY LODGE NURSING HOME

Mr. Rae: Mr. Speaker, my next question was to be for the acting Minister of Health, but in his absence, because it does involve a question of

policy of some importance, I would like to direct it to the Premier.

It concerns the situation at the Kennedy Lodge Nursing Home where there are more than 90 employees. Is the Premier aware that a great many of those employees who have been there for seven years, the life of the home itself, paid for courses themselves at George Brown College and elsewhere in order to upgrade their skills to become registered health care aides because they were told and encouraged by the ministry that this was something the government was contemplating asking of nursing homes in terms of upgrading the kind of care that is being provided?

Given the fact that these employees have taken these courses and upgraded their own training and have developed a relationship with the residents at the Kennedy Lodge Nursing Home for the seven years the nursing home has been in existence, what kind of action is the government prepared to take to ensure that these workers are not out on the street before Christmas, which is the plan of the nursing home operator?

Hon. Mr. Davis: Mr. Speaker, I am quite prepared to pass this question on to the acting Minister of Health. If he is not here before the end of question period, I am sure he will be here and delighted to reply to it tomorrow.

Mr. Rae: While the Premier is doing that, perhaps he would ask the acting Minister of Health to have a look at the report of a coroner's inquest which took place in July 1982 with respect to the death of Mrs. Linda Amory on January 17, 1982, at Kennedy Lodge Nursing Home.

One of the recommendations of the coroner's jury in this case was that a review should be made of the use and employment of part-time staff in nursing homes so that there is a reasonable balance between full-time and part-time employees and so that the nursing home staff can maintain and administer a proper level of care.

I would like to ask the Premier how that recommendation of the coroner's jury in 1982 jibes with the plans of the owner of the nursing home to replace the entire health care aide staff, 92 strong, full-time and part-time, with subcontracted employees who will be making \$3 or \$4 an hour less than the health care aides who are working there today, many of whom will be working on a part-time basis and who

certainly will be working on a here-today, gone-tomorrow basis because they are working for another employer.

Hon. Mr. Davis: As I said in answer to the first question, which I thought might preclude the honourable member from several supplementaries—I am just trying to be helpful—I will refer that as well to the acting minister.

If he has a second supplementary, rather than read it all out as he has it, if he wishes to send it over, I assure him I will get it to the acting Minister of Health.

Mr. Rae: Of course, I will provide the acting Minister of Health with all the information at our disposal, as we have always done in these cases, but I do think it is a matter of public record of some importance.

Mr. Speaker: Question, please.

Mr. Rae: Would the Premier agree to meet personally with the nursing aides who have come to meet with me and who have attempted to meet with others with respect to their situation at this nursing home? They have provided service to the public and service to the residents. There is a letter in place from the president of the residents' council expressing a sense of bewilderment that employees with whom they had developed a relationship were about to be fired.

Four of these employees are in the gallery today. Would the Premier be prepared to meet with them and listen to their concerns with respect to their training, their concerns about the quality of care and their concerns about what is going to happen to the residents at the nursing home when they are forced to take to the streets, thanks to the actions of their employer?

Hon. Mr. Davis: I have never been reluctant to meet with groups or individuals. Quite honestly, there are not enough hours in the day to meet everybody who would like to discuss issues with the Premier, in many cases ministers.

I will be quite prepared to raise this matter with the acting Minister of Health. It may be he would be more than prepared to meet with them and if he feels some useful purpose would be served in my becoming involved, I have never been reluctant to do so.

I think the member will understand if I do not agree at this moment to say yes, because tomorrow he quite legitimately would have perhaps four or five other groups. I assure the member I will raise this matter with the acting Minister of Health. I know he will reply to the

member tomorrow in his usual excellent and sensitive fashion.

COLLEGE OF TEACHERS

Mr. Bradley: Mr. Speaker, I have a question for the Premier. The Premier is aware that the Minister of Education (Miss Stephenson) has continued in her speeches across the province to advocate the establishment of a college of teachers. She has done so despite the fact she has been unable to reach a consensus or an agreement on this subject with the Ontario Teachers' Federation.

Will the Premier give an undertaking to this House that he will maintain the policy of one of his predecessors, I believe it was the Honourable George Drew, who in 1944 made it a condition of teaching in the publicly financed schools in Ontario that the teachers must be statutory members of the Ontario Teachers' Federation?

Hon. Mr. Davis: Mr. Speaker, I would be intrigued to raise with the member for Renfrew North (Mr. Conway) whether it is appropriate, talking about idealism and potential conflicts and all the rest of it, if a member of the teaching profession who I assume is still participating—

Mr. Nixon: Former.

Hon. Mr. Davis: Is the member not still participating and contributing? Is his certificate not still up to date?

Mr. Bradley: I do not contribute to the pension plan.

Mr. Speaker: Never mind the interjections.

Hon. Mr. Davis: Does he still have his certificate? He could go back and teach. I am intrigued; I thought he might have had someone else ask the question.

Interjections.

Hon. Mr. Davis: I would not be too sure. I have not been present when the minister has delivered any of her excellent speeches on many subjects across Ontario. They are great speeches.

I am familiar with the discussions that have been going on for a substantial period of time as to the possibility of a college of teachers, if that is the terminology, which I say with respect to the present minister is not all new. There were discussions going on in the 1960s as to the self-governance of the teaching profession. My recollection was that in those days there was a real measure of support. The member is too young to remember that, but I know his col-

league on his geographical and nonphilosophical right—

An hon. member: Left.

Hon. Mr. Davis: Both of them will tell him there was this discussion in the 1960s, a discussion as to the possibility of self-governance of the profession. The potential of a college of teachers, if that is the terminology, is one I understand the federation is quite prepared to discuss.

I also understand there is some concern as to compulsory membership, which I assume the member is supporting—a member of the teaching profession must also be a member of the OTF. I can only say that in terms of government policy that policy has not changed and is not in the process of changing.

Mr. Bradley: Does the Premier not agree with me, then, that in any way to renounce or give a hint that his government is going to renounce the commitment given by Premier Drew would provoke an unnecessary confrontation with those who must deliver educational services in this province, mainly members of the teaching profession? Is the Premier saying he will not proceed with a college of teachers without the agreement of the Ontario Teachers' Federation? Is that what he is saying?

Hon. Mr. Davis: I would like to think the member, at least on this subject, would have some greater understanding of how things work. I really do not think—

Interjection.

Hon. Mr. Davis: I thought he would know. Certainly the former superintendent of education of the separate school system in the Kitchener area knows full well how the system works, because he always took great pride in advising the former minister on how it should work. I remember those days of advice very well.

Mr. Bradley: Are you saying yes or no to my question?

Hon. Mr. Davis: The member took a long time to ask it and I am going to take as long to answer it. If the member really believes—and I do not think there is a teacher in this province who believes it—that we would unilaterally construct a college of teachers without the enthusiastic support of the profession in this province, then he is more naïve than I think he is. I think he is naïve but not that naïve.

3 p.m.

Mr. Rae: Mr. Speaker, what the Premier has just said is extremely important. He may not be

aware of it, but every teachers' organization in the province is convinced that the college of teachers scheme as outlined by the Minister of Education is something she is determined to press ahead with, and there is a real danger of her getting the ear of cabinet for a proposal that is literally anathema to every single teachers' organization in the province.

For the benefit of the record, I would like to ask the Premier if he is prepared to state categorically—not in the double reversal way he did in answer to the question by my colleague the member for St. Catharines (Mr. Bradley)—that he will not proceed with any scheme that is unacceptable to the teachers' organizations of this province.

Hon. Mr. Davis: Mr. Speaker, I thought I answered the question from the member for St. Catharines in very clear, precise terms. I confess they were not quite as clear and precise as the observations of the leader of the third party to the Ontario Federation of Labour the other day.

Mr. Rae: I wish the Premier had been there.

Hon. Mr. Davis: I am sorry I was not there. Obviously, the member sensed what I had said all along. There are more members of the United Auto Workers who vote for me in Brampton than in the member's political party. But I will not pursue that any further.

Mr. Speaker: Back to the question.

Hon. Mr. Davis: If the member wants my assurance that this government intends no major change of that nature—and that would be a major change; I think we all acknowledge that—without the enthusiastic endorsement of the teaching profession in this province; if he wishes me to say, as I thought I had already said, we would not, then I am saying no, we would not introduce a change of this significance and importance without the support of the teaching profession. I say that unhesitatingly because it is the reality.

I thought I had explained that to the member for St. Catharines. However, because of the noninvolvement of the leader of the third party in the teaching profession and in the debates in this House, because he has been otherwise engaged for so many years in the nation's capital and is now down to earth with the real issues, I will repeat what I said. We will not plan a change of this significant nature without the enthusiastic support of the professional teachers of this province. Can I say it any more clearly? Would the member like me to repeat it?

WORKERS' SHIFT SCHEDULE

Mr. Martel: Mr. Speaker, I have a question for the Minister of Labour. The minister will be aware that the Supreme Court of Ontario has rejected an appeal by Local 598 of the Mine, Mill and Smelter Workers Union to put an end to the seven-shift schedule that can force working people to work up to 10 consecutive shifts without any time off. Is the minister prepared to introduce legislation that will enable workers to have two days off after having worked five consecutive shifts?

Hon. Mr. Ramsay: Mr. Speaker, I am not prepared to introduce legislation at this time, but we are looking at the matter the member has brought forward.

Mr. Martel: The minister is aware that his own studies and those done in the United States and Europe indicate that people working at night on consecutive shifts have more health problems. He is also aware that his own studies indicate the shift schedule is backwards. They also indicate that there are more serious health problems and more serious accidents occurring after midnight than during the regular schedule.

The Minister of Labour is responsible for health and safety. Surely the time has come for the government to introduce some form of legislation that rectifies all these problems that are now creating serious health hazards for people in Ontario.

Hon. Mr. Ramsay: I can only repeat what I said earlier. The matter is under consideration.

Ms. Copps: Mr. Speaker, when can we expect an answer?

Hon. Mr. Ramsay: Mr. Speaker, I am not in a position at this time to indicate when an answer will be forthcoming.

HIGHWAY SIGNAGE

Mr. Eakins: Mr. Speaker, my question is for the Minister of Tourism and Recreation. There have been some news reports credited to the Premier of Nova Scotia and others from British Columbia relating to highway signage reverting from metric to imperial. As Ontario's tourism minister, how does he view this change with respect to the effect this difference in measurement will have on tourists travelling across Canada coast to coast? Does he plan to make any similar recommendations as tourism minister in Ontario?

Hon. Mr. Baetz: Mr. Speaker, I can only speak as the minister of tourism and I must be

sensitive to the feelings of tourists, especially American tourists coming here. After all, my honourable colleague the Minister of Transportation and Communications (Mr. Snow) has responsibility for highway signage.

As far as tourists are concerned, in the last two years or so I have never heard from one American tourist who has complained about not being able to know how far it is from A to B because we have signage in the metric system here, or to know what the price of gas is because of the metric system. Certainly, as far as tourism is concerned, I am not prepared for one minute to recommend to my colleague or to cabinet that our signs should now be reverting to the mileage system. To me, this would seem to be turning the clock back. It would be costly and it could be confusing.

Mr. Eakins: Considering that metric in Canada would not even be off the ground were it not for the wholehearted support of the provinces across this country, in view of the well-documented support of this government to metric over the years and in view of the passage of the Metric Conversion Statute Law Act in 1978 by the member for St. Andrew-St. Patrick (Mr. Grossman), now the Treasurer, is it the minister's intention to continue to put in place the metric program for this province?

Does it not hinder, confuse and sometimes sabotage his program when federal members of Parliament deliberately open service stations to challenge this government's support of metric? In view of the fact the minister feels a change of highway signage would be confusing to the tourists, does he not feel the opening of service stations is also confusing to people from outside the country who visit Ontario?

Hon. Mr. Baetz: As I tried to say in my first response, the whole question of metric is really far beyond my jurisdiction. It is within the Ministry of Transportation and Communications. I am simply responding here as the minister of tourism. I would simply like to reiterate and underline the fact that I have never heard a tourist from the United States of America come to the great, wonderful and glorious province of Ontario and say he was so confused because we had metric signage.

SEVERANCE PAY

Mr. Mackenzie: Mr. Speaker, I have a question for the Minister of Labour. I am sure the minister will be aware that the total frustration of the workers at Gardner-Denver forced a takeover of that plant this morning and a sit-in in

the plant. The result was that they did achieve a much better arrangement in terms of severance pay than they were able to get through the inadequate legislation we have. Is the Minister of Labour sending out the message that this kind of individual action by the workers in plants is what is necessary to achieve justice in the province?

Hon. Mr. Ramsay: Mr. Speaker, with the greatest of respect, I do not agree with the honourable member when he talks about the inadequate severance pay laws in this province. As I have said time and time again, they are in the forefront of this type of legislation in North America. I am aware of the circumstances the member has brought to my attention. I do not think I am sending any sort of message whatsoever to the work force.

Mr. Mackenzie: Inasmuch as the workers could get nothing more and there was nothing that could be done because of the legislation, and obviously this company was in a position to pay, will the minister now assure us he will take a look at changing the severance pay legislation so there is some fairness which does not now exist? The loopholes are big enough to drive a truck through.

3:10 p.m.

Hon. Mr. Ramsay: I have not had an opportunity to meet with these people as yet, as is my custom to try to meet on all plant closures, although my colleague the member for Oxford (Mr. Treleaven) did meet with them on Monday of this week. I was optimistic that once I had an opportunity to meet with them, I would have been able to gain the co-operation of the company and to come forward with a resolution to the problem.

Ms. Copps: Mr. Speaker, the minister was kind enough to meet with some of the workers on the issue of Consolidated Bathurst in Hamilton and, at that time, there was legislation promised to rectify that situation. No legislation has been forthcoming, and the government continues to do business in the hundreds of thousands of dollars with Consolidated Bathurst. How can the minister do this business, on the one hand, and claim, on the other hand, he is trying to find a fair deal for workers in this province?

Hon. Mr. Ramsay: I am not aware of any business the province may be conducting, but if it is, that is fine. In this province the government tenders its contracts and they go to the low bidder.

However, it is not correct that I made any promises at the time of the Consolidated Bathurst case about changes—

Ms. Copps: Bumping legislation. Yes, you did.

Mr. Speaker: Order.

Hon. Mr. Ramsay: Preferential hiring. All right, that is correct. I said we were actively looking at the matter of preferential hiring. We did issue a discussion paper, we have got it back and we are still receiving responses to that discussion paper from both management and unions. Those responses are at present being assessed by our senior officials, but there are still a number outstanding as yet.

RADIO READING SERVICE

Mr. Gillies: Mr. Speaker, my question is for the Minister of Community and Social Services. Constituents of mine who are blind, including people associated with the W. Ross Macdonald School, have continued to express concern about the unresolved fate of the Radio Reading Service.

Mr. Wrye: What a setup.

Mr. Gillies: Wait for it.

My question to the minister is, can he confirm reports in yesterday's Toronto Star that his ministry will be offering funding to the Radio Reading Service?

Mr. Wrye: Hit it out of the park, Frank.

Mr. Speaker: Order.

Hon. Mr. Drea: Mr. Speaker, I am very pleased to say that late yesterday afternoon an agreement was concluded whereby funds will be provided by my ministry and flowed through the Canadian National Institute for the Blind so that the Radio Reading Service of Oakville—indeed of Ontario—can resume its on-air operations.

While I am on my feet, incidentally, I do wish to thank the CNIB for two reasons. First, they are my funding vehicle in this matter because the law does not permit me to fund directly in this particular operation. Second, I think it is very typical of the very vast expansion of their community services for the visually impaired.

One of the things that has appeared in all of this over the last month or so—and I presume a lot of it stems from the fact that I have not been here every day—is that there seems to be a great amount of confusion concerning the future of the Radio Reading Service.

It is a matter of record that the Provincial

Secretary for Social Development (Mr. McCaffrey), the Minister of Citizenship and Culture (Ms. Fish) and myself have been working on a solution to this problem since very late in October. One of the problems that occurred was that unfortunately I was not here all the time. There is a very equitable solution in this matter.

The truth of the matter is that as long as the Radio Reading Service and its funding were under the Ministry of Citizenship and Culture, it was a developmental or pilot project program. It has long since passed that stage and it now has achieved the first stage of a very permanent vehicle for its funding. We are looking forward to a very great expansion of this service in the community.

Mr. Wrye: Ask Susan a supplementary. Give her a chance.

Mr. Speaker: Order.

Mr. Gillies: My supplementary question is, are we making just another one-time grant to the Radio Reading Service or will their future funding be secure?

Mr. Speaker: I think the minister has already answered that question. I heard him very clearly say that the first stage of the process of its being recognized as an ongoing program had been reached.

Ms. Coppins: Mr. Speaker, I am happy to hear that the minister has been discussing this with his colleague the Minister of Citizenship and Culture since late October. It is unfortunate that information was not imparted to his colleague when the issue was raised earlier in the Legislature.

Hon. Mr. Drea: Mr. Speaker, I do not like the tone of that remark.

Ms. Coppins: There was a legitimate question last week for which there was not a legitimate answer.

If the government is committed to continuing a program which is an extension of the library services which are made available to every person in this province, why is the change of responsibility occurring so that the program is now under the umbrella of the Ministry of Community and Social Services? This inherently implies that it is a program of a community or social service nature, rather than an educational program which should be available and accessible to all people across this province.

Why has the minister chosen to use the Canadian National Institute for the Blind as a funding vehicle when previously direct grants

have been successfully made to the Radio Reading Service from the government of Ontario?

Hon. Mr. Drea: Mr. Speaker, as usual, the member for Hamilton Centre does not know what she is talking about.

Mr. Rae: We are glad the minister is back.

Interjections.

Hon. Mr. Drea: The tone is not all I do not like.

Under my ministry act, it is impossible for me to fund directly unless someone is providing a specialized type of service. If the member for Hamilton Centre wants me to stop funding, she should say so.

Also, the gratuitous remarks about the CNIB and its role in this are not warranted. The CNIB has long passed the stage in its own operation where it is primarily an institutional, reception or educational area for those who are legally blind or very substantially visually impaired. In the past few years it has broadened its approach in its community endeavours for all the visually impaired, as well as for the legally blind.

This program is not under the umbrella of the government. It is now under the service umbrella of the CNIB where its progress can be monitored. If there are improvements or certain aspects of this service which will bring a better type of service to a larger audience, then the CNIB can do it.

In terms of government, it is perfectly legal and perfectly accountable for the Ministry of Citizenship and Culture to pay direct grants. It is not legal for my ministry to do so. I have chosen a vehicle. If the member for Hamilton Centre does not like the vehicle, that is her problem.

PORT DOVER MARINA

Mr. G. I. Miller: Mr. Speaker, I have a question for the Minister of the Environment. Is he aware that slag is being used as landfill for the new marina which is under construction at Port Dover? Would he be prepared to give a written assurance to the Nanticoke council that this slag will not have a detrimental effect on the environment and water quality?

Hon. Mr. Brandt: Mr. Speaker, our information is that the slag referred to by the member is not an environmental hazard. I have asked my staff to look at any contamination effects, any leachate and any problems with respect to leaching which could be detrimental to the water quality. I have been advised there are not any at this time.

I share some of the general concerns the member has and I will keep an eye on the problem. At the moment, however, it would appear there is not a problem. If there are any further pieces of information which would be of interest to the member, I will bring them to his attention.

Mr. G. I. Miller: The minister is aware that Port Dover has one of the largest freshwater fishing fleets in the world. Given the fact that slag has been used, for example, in Hamilton Bay, where it has ruined the fishing there, we certainly want to make sure the fishing industry is protected in Lake Erie. After hearing the minister's announcement earlier, I want to ask him whether he will be monitoring on a regular basis using the new equipment he announced in the House today.

3:20 p.m.

Hon. Mr. Brandt: We will be monitoring on an hour-by-hour basis for air quality. That may not catch the kind of problems the member is identifying with respect to leachate that may occur from slag, but as I indicated with respect to the latter part of the concern and any problems in connection with water quality, I will very definitely give him the assurance that we will keep our eye on it. The best advice I have from the scientists I have on staff is that it is not a problem. I want to give the member that assurance. I have looked into the matter in detail, but if that condition changes or if there is any new information, I will get back to the member at the earliest opportunity.

GREAT LAKES WATER QUALITY

Mr. Charlton: Mr. Speaker, the Great Lakes Water Quality Board of the International Joint Commission recently released its report. That report seems to indicate that some of the contaminants in the Great Lakes that were previously declining in concentration are now on the increase again. Some of those contaminants have been banned from use for a number of years. Last evening, an official of the federal Department of the Environment confirmed that there are clear indications of increases. Can the minister comment on that and tell us what his ministry is prepared to do to start dealing with that matter?

Hon. Mr. Brandt: Mr. Speaker, in those same reports it was clearly indicated that the vast majority of contaminants that are leaching into the Great Lakes system are coming from the American side. The honourable member is well

aware of the representations we have made to some of our friends south of us, primarily in New York state, to attempt to come to some kind of accommodation with respect to that very critical problem.

A very slight deterioration in terms of lake quality has occurred within this past year after a decade or more of improvements. The information I have at the moment is that there is no specific evidence indicating an overall deterioration in terms of any contamination that is getting into the water. We are looking further at information we can get to try to identify those sources of pollution.

At the moment it could just be a problem with respect to a very slight deterioration that may correct itself in the year ahead; we do not know that it is a trend that has set in. But certainly we will continue our representations with the United States, as we have in the past, to improve water quality to the extent we can by controlling emissions and contamination that is leaching from that side of the border.

NOTICE OF DISSATISFACTION

Mr. Conway: On a point of order, Mr. Speaker: I rise under the provisions of standing order 28(a) to indicate that I am not happy with the answers offered to my questions by the first minister, who ran from this place and from the press like a hard-pressed hare.

I say to you, Mr. Speaker, that I intend to give you a written notice later this afternoon and I intend to be here at adjournment tonight to discuss the reasons for my dissatisfaction in view of the fact that the first minister ran from this place and the press like a frightened rabbit. [Later]

The Deputy Speaker: I thank the member for his remarks. Before the next member speaks, pursuant to standing order 28, the member for Renfrew North (Mr. Conway) has given notice of dissatisfaction with the answer to his question given by the Premier (Mr. Davis) concerning the conduct of Mr. Alan Gordon. This matter will be debated at 10:30 p.m.

TIME ALLOCATION

Mr. Mancini: On a point of order, Mr. Speaker: In a few moments we will be debating a very important resolution, and I would like to place a request before you and before members of the House. As you know, the time allocated for these resolutions is usually divided up by party and it usually ends up with every party getting 20 minutes to speak to the resolution.

We will have three speakers on this resolution today. The member for Kent-Elgin (Mr. McGuigan) and I will be splitting a part of the last 10 minutes that should be allocated to our party. However, the problem arises that once the member for Kent-Elgin takes his seat, we lose the floor and the rotation goes to the New Democratic Party and then to the Conservatives. We will lose out on approximately five or six minutes.

Can I have the unanimous consent of the House to ensure that every party has the 20 minutes, even though the rotation might be somewhat different from what it normally is?

Mr. Speaker: That is an interesting proposal. Obviously, it is in conflict with the standing orders. I would have to ask for unanimous consent if it is the wish of the House to do as the honourable member has requested.

Interjections.

Mr. Speaker: I hear some dissent.

Ms. Copps: No, I hear agreement, over there in the corner.

Mr. Speaker: We will try it again. Do we have unanimous consent?

Interjections.

Mr. Speaker: Just a minute; there is some confusion here. Would the member place his proposal so the government House leader (Mr. Wells) may understand what he has said?

Mr. Mancini: Under normal circumstances, every party is allowed a full allotment of time. After the initial—

Interjection.

Mr. Mancini: Is it all right?

Mr. Speaker: Do we have unanimous consent? Agreed to.

Mr. Speaker: There is some doubt as to what has been asked for and what everybody has agreed to.

Ms. Copps: Everybody agreed.

Mr. Speaker: Yes, I know, but the table—was it that every party would get equal time, 20 minutes?

Mr. Ruston: Mr. Speaker, all we are asking is that when the member for Kent-Elgin finishes his five minutes, the member for Essex South (Mr. Mancini) be allowed the other five minutes of his time.

Mr. Speaker: You are splitting the final 10 minutes.

Mr. Ruston: That is right.

Interjection.

Mr. Speaker: In the last 10 minutes they are going to have two speakers instead of one. Is everybody clear on what we have done?

Mr. McClellan: Absolutely.

Mr. Speaker: I am glad to hear that.

PETITION

INFLATION RESTRAINT LEGISLATION

Mr. Speaker: The member for Huron-Middlesex.

Mr. Elston: Huron-Bruce, Mr. Speaker.

Mr. Speaker: Huron-Bruce; I do not know why I continue to make that mistake.

Mr. Elston: Mr. Speaker, I have a petition.

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned nurses, beg leave to petition the parliament of Ontario as follows:

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith."

This is signed by some 23 members of the nursing profession in the Kincardine area.

REPORT

STANDING COMMITTEE ON SOCIAL DEVELOPMENT

Mr. Robinson from the standing committee on social development presented the following report and moved its adoption:

Your committee begs to report the following bill without amendment:

Bill 90, An Act to amend the Assessment Act.

Motion agreed to.

Bill ordered for third reading.

3:30 p.m.

INTRODUCTION OF BILLS

RESIDENTIAL COMPLEXES FINANCING COSTS RESTRAINT AMENDMENT ACT

Hon. Mr. Elgie moved, seconded by Hon. Mr. Baetz, first reading of Bill 128, An Act to amend the Residential Complexes Financing Costs Restraint Act.

Motion agreed to.

Hon. Mr. Elgie: Mr. Speaker, I am pleased to introduce for first reading a bill to amend the Residential Complexes Financing Costs Restraint Act, 1982.

Members will recall that when this act was passed last December, it contained a sunset provision which, if left in place, would repeal the act on December 31, 1983. I had hoped to have the recommendations of Commissioner

Stuart Thom before this amending legislation was brought forward. However, the writing of his report is taking longer than he expected and he has not yet completed his report on this issue.

In these circumstances, the bill I am now introducing will simply extend the sunset provision of the 1982 act to December 31, 1984, and make a complementary amendment of another date reference in the act. The process will therefore still allow us to consider Commissioner Thom's report when it is received and to make any further legislative changes that may be required in the spring session.

MINING ACT

Hon. Mr. Pope moved, seconded by Hon. Mr. Bernier, first reading of Bill 129, An Act to revise the Mining Act.

Motion agreed to.

CITY OF PETERBOROUGH ACT

Mr. Pollock moved, seconded by Mr. Sheppard, first reading of Bill Pr42, An Act respecting the City of Peterborough.

Motion agreed to.

Mr. Speaker: Unanimous consent is required to revert to reports. Do we have unanimous consent?

Agreed to.

REPORT

STANDING COMMITTEE ON REGULATIONS AND OTHER STATUTORY INSTRUMENTS

Mr. Kerr from the standing committee on regulations and other statutory instruments presented the following report and moved its adoption:

Your committee begs to report the following bills without amendment:

Bill Pr22, An Act to revive Silverstone Oil Company Limited.

Bill Pr33, An Act respecting Certain Land in the Town Plot of Smyth, in the District of Nipissing.

Your committee begs to report the following bills with a certain amendment:

Bill Pr34, An Act respecting Eastern Pentecostal Bible College.

Bill Pr44, An Act respecting the Corporation of Massey Hall and Roy Thomson Hall.

Your committee begs to report the following bill with certain amendments:

Bill Pr12, An Act respecting the City of Toronto.

Your committee would recommend that the fees, less the actual cost of printing, be remitted on Bill Pr34, An Act respecting Eastern Pentecostal Bible College, and Bill Pr44, An Act respecting the Corporation of Massey Hall and Roy Thomson Hall.

Motion agreed to.

MOTION

ESTIMATES

Hon. Mr. Wells moved that the time allocation for the estimates of the Ministry of Health be reduced to 15 hours.

Agreed to.

ORDERS OF THE DAY

PRIVATE MEMBERS' PUBLIC BUSINESS NUCLEAR ARMS FREE ZONE

Mr. Allen moved, seconded by Mr. R. F. Johnston, resolution 1:

That, in the opinion of this House, the province of Ontario, Canada, should declare itself a nuclear arms free zone, and the government should prohibit the deployment of nuclear weapons in Ontario, the testing of nuclear weapons and associated equipment in the province, the construction of nuclear weapons and associated equipment, the transport of nuclear weapons and associated equipment through and within the province, and the export of goods and materials for use in the construction and deployment of nuclear arms. In addition, the province should encourage cities, provinces and states throughout the world to initiate similar action.

Mr. Speaker: Just before the honourable member proceeds, I would like to point out that he has 20 minutes for his presentation and may reserve any portion of that time for his windup.

Mr. Allen: Mr. Speaker, I am sure this resolution is one that touches most of us very closely. Certainly it is a resolution that is intended to enable us, as representatives of Ontario electors, to take a small but significant step towards the elimination of nuclear arms from this earth.

A petition based on the same resolution has been circulated in this province for four or five months and to date has 26,600 names upon it from more than 575 towns and cities of Ontario. Names are still coming in, and this morning I learned that the Lutheran Synod of Ontario, which represents 70,000 persons, has just passed a resolution to the same effect.

Both the petition and the resolution represent a remarkable and pervasive peace movement in Ontario today. A quite incomplete count shows that there are somewhere in the order of 194 groups and agencies that are associated in one way or another with the pursuit of peace and disarmament in this province. That simply leaves to one side all the small committees that are attached to various organizations and larger societies in the province.

It is not the purpose of this resolution to become involved in the technicalities of the implementation processes that it implies. It is a resolution; it is not a bill. It is an attempt to establish an objective clearly enough for action and to commit this province to it and to spell out something of the scale of action entailed. It is a resolve, not a program, and it is to be debated as such on its merits.

The proposal has its foundation in international treaties passed in recent decades. In 1968, the Treaty of Non-Proliferation of Nuclear Weapons was negotiated and signed under the aegis of the United Nations. That treaty had three broad objectives in mind. One was to promote a nuclear freeze. That objective has now become a major campaign in the neighbouring republic, supported by 64 per cent of the public in a recent poll by and spearheaded in the Senate by such figures as, for example, Senator Edward M. Kennedy and Senator Mark Hatfield. The proposal is also supported there by such arms control negotiators as Paul Warnke, intelligence experts such as William Colby, military leaders such as Admiral Eugene Carroll and experts on Russian-American relations such as George F. Kennan.

The second major objective of that treaty was to address the whole question of verification and the third, more directly germane to our discussion this afternoon, was to extend nuclear free zones.

3:40 p.m.

Canada is a party to that treaty and is formally committed to its broad objectives. By the time that treaty had been passed, however, there already had been treaties negotiated to keep nuclear arms from the seabed, outer space and Antarctica. The year before, in 1967, a treaty was passed for the prohibition of nuclear weapons in Latin America. That treaty has been formally adhered to by both the Soviet Union and the United States, which have vowed in writing not to infringe on it in any respect. In 1964, the Organization of African Unity approved

the Declaration on the Denuclearization of Africa. In 1976, that was reaffirmed through the United Nations.

The point of all this rehearsal is to suggest the idea is not new. It is not for the first time being applied in this province through this resolution, and Canada is a party to that key treaty on nonproliferation which lays the primary foundation for the concept in subsequent years. The idea of a nuclear free zone for this country as a whole was placed on the Canadian agenda in 1981 when a campaign to make Canada a nuclear weapons free zone was initiated by the church-sponsored organization known as Ploughshares International. All the major churches of this country belong to and support that organization and this project.

Why Ontario? Perhaps one should put it in the negative: Why not Ontario? After all, this step would help advance a long-standing Canadian search for the peaceful resolution of world conflicts expressed in so many ways. Second, it would express in a crucial and tense time in our earth's history that Canada's historic commitment not to produce and develop nuclear weapons will remain the centrepiece of our policy in that respect even though we have long had the capability to produce those weapons. In recent years, our Prime Minister has advocated a policy of nuclear suffocation which is entirely consistent with this proposal.

Next, we are currently nuclear weapons free in Ontario. It is true there are nuclear-tipped missiles associated with the still existing CF-100 fighters which are stationed in at least two bases in Canada, in Manitoba and Nova Scotia, but they are about to be phased out within 18 months. At that point, this country will be nuclear free. It is important at this juncture that this country and this province find a way to symbolize our intent to maintain that nuclear free posture.

Our industrial commitment to the production of components and parts of weapons or delivery systems is at this time very slight. Principally, as far as this debate is concerned, it exists with Litton Industries and the guidance system for the cruise missile. At this point, we do not have an industrial military complex such as exists in the United States. That could well develop under such arrangements as the Canada-US defence production sharing arrangement where military spending has increased markedly in recent years. We must ensure that the development of an interlocking domestic and military economy never fastens itself upon this nation to

the degree it has with our neighbours to the south and compromises almost every attempt to undertake a disentangling of those elements.

Finally, one year ago, scores of Ontario cities voted, often with very large majorities, to support the idea of an international referendum for balance and bilateral disarmament conducted through the auspices of the United Nations. Some of those cities, like some in Britain and the United States, went on to declare themselves nuclear weapons free zones and they are studying the implications of that step: Hamilton, Windsor, Welland, Brantford, Toronto, Ottawa—defeated in a close vote but it would have paired with Zagreb, Yugoslavia, in a rather unique and interesting extension of this idea.

Signed it is not just some 28,000 petitioners on a signed petition or myself alone that are concerned with this question. There are large urban areas in this province that have committed themselves to this proposition. This resolution gives them a further voice.

Some will say this is outside the jurisdiction of the province. To me, the answer that is sufficient is the answer that was given in the debates a year ago this month when the disarmament referendums were in full swing, namely, that nuclear weapons are no respecters of jurisdictions. A nuclear strike or an all-out nuclear war would obviously call upon the services of all kinds of provincial agencies, if they were not entirely devastated in the process. There is no reason those same agencies ought not to be concerned and relate their activities, and principally those of this Legislature, to the accomplishment of the termination of the existence of such weaponry.

Others will add that somehow this proposal breaches our commitments to the North Atlantic Treaty Organization. I submit that is a red herring. There are other states in the NATO alliance, such as Denmark and Greece, that have refused to accept nuclear weapons. Spain, which wishes to join the alliance, declared it wishes to do so without obligation to accept nuclear arms. Denmark, Greece, Luxembourg, Spain and Portugal have all refused to accept the cruise missile system. Norway, while it is not in the NATO alliance, is within the western orbit and it refuses both nuclear arms and foreign troops on its soil.

It may also be said by some that this proposal appears to be advocating unilateral disarmament. It may at first glance appear to do so. However, I assure honourable members that the Canadian peace movement is almost solidly bilateralist in

its strategies, outlook and convictions. It recognizes that in the last analysis there will be no disarmament, nuclear or otherwise, on this earth unless it is negotiated bilaterally to the satisfaction of the two major superpowers.

That is a bedrock conviction of this proposal as well. At the same time it is absolutely critical that we move in what ways we can and take such constructive steps as we are able to.

The purposes of this Ontario nuclear weapons free zone proposal are three. First, to take one of those very small steps that can dramatize the direction all cities, all states and all powers must eventually take if we are to find a safe haven in the end; second, to provide a measure of hope that significant action can be taken now for a generation of young people, people in their middle years and people in their senior years who, more and more, feel very fatalistic about this issue; third, to maintain pressure on western governments and to say we cannot and will not sit by as a people while the clock ticks on to midnight.

To those who say Russia will never permit comparable action, I would like to observe the following. This is not a subject on which we can afford the luxury of thinking that anything is impossible. The stakes are simply too great. The same charge or observation was made with regard to the disarmament referendums in the cities of our province last year, but Russian embassy representatives in this country have stated they can see no reason why such a referendum, conducted by the United Nations, should not be held in their land.

3:50 p.m.

There are also hopeful signs that some of the eastern bloc nations are very unhappy themselves with the stationing of missiles in their midst. Countries in the Warsaw Pact such as Rumania, for example, are quite outspoken on that subject. Then too, there are periodic discussions under way between the Baltic states and Russia on the proposal for a nuclear weapons free zone in that region.

Most important of all, as an assurance that it is possible to accomplish agreements in significant ways around issues like this and it is conceivable to think that ultimately the Soviet Union itself might be prepared to move substantially, is the fact that there have been at least 14 major arms control treaties negotiated in the past 20 years between the superpowers and not one of them has been violated in any way by either side. I think most of us are not aware of that fact and it

will be very reassuring to our fellow citizens to know that.

Moreover, Russia, along with the four other nuclear powers in 1980, through the disarmament committee of the United Nations, gave security assurances to all those states that were non-nuclear-weapons countries. Surely these are all hopeful signs that something of the order of an Ontario nuclear weapons free zone is not something that is whistling in the dark or flying in the wind of reality. There are hopeful indications and we must follow them where they will lead us.

By this resolution now, essentially the same reason that there is an incredible outburst of peace activity around us, there is a profound and growing unrest that we have been betrayed by our leaders, east and west, but not least in the west, into a nightmare world. It would seem we have been led by blind guides into military strategies of the absurd.

Until three years ago the key words were "mutually assured destruction," or MAD, and that was the predominant theory which was to prevent nuclear war. Now we are treated to theories of "nuclear use theories," shortened to Nuts. MAD was bad enough, but Nuts are totally insane. We are confronting the theory that it is now possible to conduct a protracted nuclear war and prevail. What does "prevail" mean in those terms? What does winning mean any more?

We are told repeatedly that we must be strong and must bargain from superior strength, but what any more is strength? What has been the accomplishment of that posture? We stand poised across a great divide with some 20,000 Russian warheads confronting 30,000 on the other side. That is 5,000 times the explosives delivered in all the years of the Second World War. The more sane of our military leaders and defence experts are now telling us that strength has become our weakness.

President Eisenhower told us that in 1956. The argument as to the exact amount of available strength as compared to somebody else's is no longer a vital issue. Robert McNamara, the former head of General Motors and Secretary of Defense, now the head of the World Bank, has recently told us that in his estimation the west could simply scuttle half its nuclear arsenal and not be any the less militarily persuasive. In short, there is no longer any ethics of war or any military strategy which can justify our present nuclear postures, east and west.

Members might well ask why we might feel

obligated to take a first step. The answer is very simple. According to George F. Kennan, one of the supreme realists in Soviet-American relations in our time, the simple answer is because we are ahead, we have always been ahead and we initiated the nuclear race. I do not want to present any simple white or black picture of either side in this debate, but we do have to reflect and ponder upon Kennan's point.

It is true that the United States exploded the first atomic and hydrogen bombs; organized the first post-war military alliance; first established tactical nuclear weapons in Europe; accelerated the buildup of strategic missiles; created the first strategic supersonic bomber, the first ballistic missile-launching submarine and the first solid rocket fuel used in missiles; and was the first nation, after the limits had been placed upon missiles, to develop multiple warheads to get around that, high-speed re-entry bodies, multiple independently targeted re-entry vehicles and computerized guidance systems.

The only exception in that whole pattern of escalation, led tragically and unfortunately by the United States, was the negotiation in 1963 by John F. Kennedy with the Russians of a ban on above-ground nuclear explosions.

These are the realities of the alliance to which we belong and to which we must render some responsibility. But at the same time that responsibility must not necessarily follow the usual and the normal pattern of assent and complicity. We can and we must turn the tide. An Ontario nuclear weapons free zone may be a small step but it is a possible one and one that we can and must take.

I just want to read a small and touching note. I think we stand very much in the figure of the father in this little story. It is a real story. A grade 7 boy tells his class, "I know there won't be a nuclear war; my daddy goes to meetings to stop it." I think we stand in the same relationship to the rest of Ontario's legislators. What are they looking to us for and what assurance will they get from our actions?

Mr. Kolyn: Mr. Speaker, I rise to participate in this debate with a certain sense of urgency. I think any member who has reflected on the political, geopolitical and military forces which are at play in the world today would agree that the global political environment has been destabilized and is dangerous. The level of tension is reflected in, and is the product of, a number of facts and developments.

Global military spending will this year total

more than \$600 billion, more than half of which will be spent by the two superpowers alone.

The level of subnuclear violence in the international system is high. The probability of superpower confrontation, especially in strategically important regions, increases with the duration of conflict and with each new escalation in violence.

At the strategic level, the technologies and assumptions of countervalue deterrent strategies are giving way to the technologies and assumptions of counterforce war-fighting and war-winning strategies.

Politically, what some have called a new cold war shows no signs of thawing. Arms control negotiations have stalled and the Soviet Union has suspended the arms control talks in Geneva.

In the West, our mass media—television, the movies, the press—all reflect the public's growing fear of and preoccupation with nuclear war and the horrors of its aftermath.

It is hardly surprising then that we should hear all around us, as the poet said, "ancestral voices prophesying war." Nor is it surprising, in response to the tensions and uncertainties, in reaction to the unimaginable terror and finality of a total nuclear war, that millions of people in the West should join in what many of them perceive to be a last chance to crusade for nuclear peace.

The many proposals which have been advanced by the broadly defined peace movement for ending the arms race and averting nuclear war are familiar to us all. They range from what I would characterize as the radical pacifist's demands for total unilateral disarmament to the suffocation and freeze concepts, and to the proposal such as the one before us today which calls for the creation of nuclear weapons free zones.

There is no question that most of these proposals are advanced with the best of intentions. There can be no argument that the elimination of the risk of nuclear war must be the goal of every rational human being. However, though well intentioned, many of these proposals are fundamentally misguided. The resolution before us today falls into this category. It recommends a course of action which, if followed, would at best make us more susceptible to political blackmail and at worst precipitate that very event which we all so desperately seek to avoid.

4 p.m.

August 6, 1945, fundamentally altered the role of military force in world affairs. The

purpose of nuclear weapons has not been to win wars, but to ensure that global nuclear war does not occur. Nearly 40 years have passed since the last nuclear weapon was used in combat. In that time we have seen a number of changes in nuclear doctrine. Massive retaliation gave way to mutually assured destruction, which is supplemented by flexible response.

Counterforce strategies and delayed response boomerang strategies are now gaining currency. Though there have been many changes in both the hardware and the software of the nuclear arsenal, one vital thing has remained constant. We have not had a nuclear war. We have not had a war which involved the major powers as combatants.

For nearly 40 years we have been able to avoid the Third World War. We have had a generation of Canadians like myself who have never been under arms, who have never been called to serve the colours or pay the supreme sacrifice. There have been wars, but the nuclear peace has been maintained.

It has been maintained because, to paraphrase Winston Churchill, in our age peace is the child of the balance of arms strength. That balance of arms strength, that assured destruction of hostage populations, has underwritten the nuclear peace for the last 40 years. In addition, the balance of arms strength may well have prevented the escalation of conventional regional conflicts to the global level. Korea, the Berlin blockade, the Berlin Wall crisis and the Mid-East in 1973 were each potentially the spark which could ignite the Third World War. However, in each case the nuclear threshold was not breached.

Nowhere has the effect on the maintenance of a credible capable second-strike deterrent been more obvious than in Western Europe. In that theatre, where the forces of the North Atlantic Treaty Organization alliance are outgunned and outmanned by the massive land armies of the Warsaw Pact countries, security has been dependent on the nuclear trip wire and the credibility of the American nuclear commitment.

Of late, the credibility of that deterrent and of the world of the free nations of the west to use that deterrent has been called into question. Over the last decade we have witnessed a tremendous expansion of Soviet military power both at the conventional and strategic levels. For example, since 1969, when the Americans introduced their last new intercontinental ballistic missile, the Minuteman 3, the Soviet Union has built and deployed five new classes of

intercontinental ballistic missiles and has upgraded at least eight items.

By early 1983 the Soviet Union had deployed 1,300 land-based ICBMs in Europe, a force which included the highly accurate, multiple independent re-entry vehicles, the SS-20s. The Western alliance had none. Efforts to correct this imbalance through the deployment of the Pershing 2 and the cruise missile have, as we are all aware, met with considerable opposition.

Since 1974, the Soviets have built twice as many tactical combat aircraft as the Americans and produced 61 attack submarines compared to the American production of 27. Also since 1974, Soviet tank production, a matter of special concern in Western Europe, has exceeded Western production by a five-to-one ratio. As far as artillery and rocket launchers are concerned, the Soviets have produced 14 times as many of these types of hardware as have we in the West.

The resolution before us today is one response to the tensions which have been created by this massive buildup of Soviet military power. As I have said, I believe it represents a misguided but well-intentioned approach which will do nothing to maintain the peace or to encourage efforts at multilateral disarmament. History has shown that pacifism and appeasement do nothing to avert war or to discourage aggressor nations.

Appeasement did nothing to deter Hitler from his course of European hegemony; quite the contrary. It did not bring peace in our time, but a savage, vicious conflict which redrew the map of Europe. The approach suggested by this resolution, and others like it, simply reinforces the perception that we in the West are unwilling to meet the Soviet challenge. Further, such an approach would, if adopted here and if followed by other Western jurisdictions, leave us woefully unprepared to protect our interests and freedoms in any future crisis, leaving us little option but to accept dictated settlements.

What can we do then to help avert war and discourage disarmament? I believe we must do two things. First, we must demonstrate that we are ready, able and willing to take those steps necessary to protect ourselves, to maintain the credibility of our deterrent and to meet the Soviet challenge. We must, above all, show that we in the west share unity of purpose and a commitment to common values.

Currently in Canada, we spend less than two per cent of our gross national product on defence. Our contribution to NATO is such as

to be an embarrassment to many of us. I believe that if we in this House are serious about peace, we should encourage the federal government to increase defence expenditures to at least three per cent of the gross national product and to increase our contribution to the NATO alliance.

Second, we must continue to offer the Soviet Union a whole series of arms control, arms limitation and disarmament measures, proposals designed to achieve a balanced, mutual and verifiable reduction in the arsenals of the superpowers, measures which will increase, not decrease, our security. It is vital that efforts to achieve these reductions and to reduce the level of tensions in east-west relations be continued.

I commend the Prime Minister of Canada, the Honourable Pierre Trudeau, for his efforts to promote a constructive dialogue between the two superpowers and to mobilize international support for disarmament. I would join with the Premier (Mr. Davis) in expressing full support for Prime Minister Trudeau's initiatives. However, the Union of Soviet Socialist Republics will have no incentive to negotiate seriously if it is convinced we will take the gun from our own hand.

It has been suggested that one reason the peace movement in the west addresses its domestic governments with such vehemence is that it is frustrated by its inability to address directly the government of the Soviet Union. However, I believe their desire for peace has led them to propose certain measures which do much to further the interests of the Soviet Union, but little to further the interests of peace.

The international political system is such that the chances of the meek inheriting the earth are very slim. Rather, we live in an environment in which the dictum "peace through strength" has much to recommend it. Quite simply, we live in a world where there can be no real peace without security.

The Deputy Speaker: The member's time has expired.

Mr. Kolyn: If proper policies are supported the day before, we will never have the day after.

The Deputy Speaker: Order.

Mr. Kolyn: In so far as I believe the resolution before us would compromise our security and, consequently, compromise the opportunity for peace, I must oppose it.

Mr. Sweeney: Mr. Speaker, I join this debate in support of the resolution. I say that not in any way to suggest those derogatory terms which

are so easily bandied about can divide a House like this, that there are those of us who are peaceniks and those of us who are warmongers. That is not the issue here. There is not a single man or woman in this House, a single man, woman or young person in the galleries who wants war. That is not the issue. The question is, how do we achieve it?

I appreciated the fact that the previous speaker, the member for Lakeshore, made reference to the activities of the Prime Minister of Canada, but I wonder if some of my colleagues in this House noted on last night's news that the efforts of the Prime Minister of this country are not being taken as seriously as I believe all of us feel they should be because there is a sense that, to use the words of the announcer last night, "He does not have support at home."

We have a chance here and now to indicate that support, to indicate that the leader of our country is supported by all its citizens and is supported by the citizens of this, the manufacturing centre of Canada and the most populous province of Canada.

Very simply, the issue that concerns all of us is whether we and our children and our grandchildren shall live or die, whether there is a future, whether there is a vision, whether there is a hope or whether there will be a holocaust. We have a chance to make an impact on that.

4:10 p.m.

My oldest daughter is a teacher. She teaches boys and girls of five and six. She has drawn to my attention on numerous occasions that when they have free discussions in their classroom, she is always amazed at how many times the issue of a nuclear holocaust or nuclear destruction comes up, how these little five-year-olds and six-year-olds are aware and concerned about an issue like this and how hopeless and helpless they feel.

I have a 10-year-old son who has frequently asked his mother and me about what is happening in the world and what the potential is for a nuclear war. I have seen in the eyes of my son fear and doubt. I have three granddaughters, ages three, two and six months. I do not want to have happen to them what I saw on the CBC news about two weeks ago when, for the first time in over 30 years or 40 years, the films of Nagasaki and Hiroshima were shown publicly. We, as members of this Legislature, representing over eight million people in this province, have a chance to speak and act for those who cannot speak and act for themselves. That is the issue.

I do not quarrel with my colleagues who object to unilateral disarmament, who have grave suspicions about Russian leaders who have publicly talked about world domination, who speak believably and deeply about the need for balance and parity. I have those concerns too. Any of us would be inexcusably naive not to worry about those. That is not the issue either. We are not talking about unilateral disarmament here. We are not talking about turning our backs or lying down.

My God, it has already been brought to our attention that on one side of the nuclear fence there are 30,000 warheads; on the other side there are 20,000 warheads. We need no more. We need not deploy them in Ontario, we need not test them in Ontario and we need not manufacture them in Ontario. There are already enough nuclear warheads in the world to destroy every single human being 15 times over. That is not the issue.

The issue is how we make a beginning to stop this madness, because that is what it is. Many of my colleagues in this room are students of history and they know that in almost every historical age man has moved to the brink of destruction, but somehow, some way, he has pulled back. Somehow, some way, his humanity, his logic, his reason, his will to survive for himself, for his children and his grandchildren have pulled him back from the brink of the destruction.

I support this resolution not in its technical terms, but in its morality, in its spirit, in what it asks of us; and that is to take one small step to stop the madness. Are we going to be able to stop it ourselves? No, obviously not, but we can make a beginning. We can reach out to like minded men, women and young people in the United States, France, England, West Germany and Japan—my God, in Japan, because they know. I have a strong and deep feeling we can reach out to small pockets of people in Russia who want no more than you or I to see their sons, daughters and their grandchildren burned up or destroyed in the holocaust.

We can reach out to them. We can build bridges of understanding and co-operation. We can say, "Let's work together." This resolution does not say we should build a fence around our province and say, "We will look after ourselves. You worry about yourselves." No, that is not what it says. It says, "We want to join you. We want to work with you." Can we have an impact? Can we have any influence? I think we can.

We are the most populous province in this country. If we give some leadership here, it is reasonable to believe that other provinces will follow. It is then reasonable to believe that other non-nuclear countries will follow and, as the tide builds and grows, we may one day soon have enough power and enough influence and enough weight to say to the two superpowers and to the other three lesser powers: "Enough. Stop. We will not let you make the decisions that will destroy us."

Over the United States, Russia, France, Germany, England, Japan and, yes, over Canada there are the unlimited horizons of space. That is where our future lies. That is where our hope lies. That is where we should be directing our energy and our talent and, yes, our knowledge of nuclear energy. That is the vision we can give to those little five-year-olds or six-year-olds. That is the vision I can give to my 10-year-old son, and each one in here can too. Is that not a better vision? Is that not a better hope than what we are facing today? Let us take it.

Mr. R. F. Johnston: Mr. Speaker, when I introduced this resolution this spring—a rather silly, in a sense symbolic, gesture—I did not expect it would take me over as it has in the last six months or that I would be participating in a debate of the quality we have heard up to this point and I anticipate we will continue to hear.

I want to take a few of my 10 minutes to give some thanks to people. I think that ties into the few remarks I would like to make tonight. I would like to thank the resolution I committee, the people from Operation Dismantle and other groups that came together and said, "Do something more with this than just putting it on the order paper." I would like to thank the people from the Performing Artists for Nuclear Disarmament, PAND, who put on that crazy show on Monday, and the leaders of our community who came to the luncheon and took time out of their busy schedules for what many think is a meaningless kind of gesture here.

I especially want to thank my two assistants Terri and Val, who have become as wrapped up in this as I have, and the students who have come to work with me over the last few months and spent so many hours on this. I would like to thank even more especially the people of Ontario—I do not wish to be maudlin—the volunteers, about 400 of whom came out of nowhere. They talked to people in their communities about this as something that could be real. People from Emo, Carrying Place, Windsor, Toronto and all over this province took the time

to send me little letters and messages of hope, saying: "Go ahead with this. Send us some more resolutions. I want to talk to my family and to my friends."

4:20 p.m.

Some letters, such as this one, came from kids:

"I am a high school student and I can see the effects of this pressure by nuclear weapons on my fellow classmates. Many people feel there is no future for us. I feel there needs to be an end to this nonsense.

"I, myself, am a member of the Royal Canadian Air Cadets and, given time, I would raise arms to defend my homeland against invaders. But by tempting the world with such devastating weapons, there will be no homeland to defend, or even enjoy."

Kids took the resolution around their schools. Grandparents wrote letters saying, "I am doing this for myself and for my children." They believe we actually have the power here to change something around.

I want to emphasize that to these members, because I do not think the political leaders of this world are listening to the people. This is not a partisan issue. This is the ultimate Conservative issue, the ultimate Liberal issue and the ultimate New Democratic Party issue. This is the question of our survival.

We are here to improve our society. If I am here to work on committees about child abuse, how can I turn my back on this prospective act of universal child abuse that is hanging over our heads? If we believe in tomorrow and our ability to act here in meaningful ways, then we have got to make sure there is a future and that we, as provincial leaders, can act.

There is a feeling out there that we have eyes and we are not seeing, that we have ears and we are not hearing and, most desperately of all, that we have tongues and we are not speaking. We can speak, whereas those people around Ontario do not know how to get their words across; but we can if we wish to, and we can speak about this issue.

When I heard the Premier say this should not be passed because it was not within our constitutional right to pass a resolution saying that in the opinion of us here, as legislators, our province should be free of nuclear weapons, I was outraged. The people of this province do not want to hear that we are not debating this or bringing this to a vote in principle because of some technicality. All we are voting on here is

the principle. The government can interpret it in any way it wishes.

We have debated and passed many issues that were outside our jurisdiction. Let me remind members of them. The Armenian extermination; we debated that here, we passed a resolution here. The member for Riverdale (Mr. Renwick) brought in a resolution about Amnesty International and the problems of people around the world whose civil rights have been suspended. We dealt with that here.

I would like to read to members one quotation from a very honourable member of this House. On April 3, 1980, in his speech on an issue that was outside our jurisdiction, he said at page 509 of Hansard:

"What I am trying to bring out, whether we like it or not, is whether we stand up and be counted now; if some of us are not here, some of our children will have to pay dearly for it. That is my feeling, sir. The motion affords this Legislative Assembly an opportunity to speak eloquently to the Parliament and the government of Canada on behalf of the people of Ontario—without partisan division—in a way that cannot and will not be ignored."

That was Ossie Villeneuve speaking on his motion in support of the boycott of the Olympics because of the Afghanistan invasion. I suggest that if we could debate and pass that motion in this House, then we can pass this one. The government can interpret it in any way it wishes, in terms of where it wants to go from here; it does not mean when they support this on the other side that they do not have to be in favour of us being in the North Atlantic Treaty Organization.

They can take the approach of the member for Leeds (Mr. Runciman) on this and they can say, "We want to increase the number of arms we produce in this province," if they want to. He made that argument for conventional weaponry. They can make an argument that we should be increasing our role in NATO in a non-nuclear way, if they choose to, and still support this motion.

The point is that there is no strategical reason in the world for Ontario to have nuclear weapons. They would not add one iota to the balance of power, not just because of the totals, but because there is just no use for them.

The second principle of this resolution is that we should not be producing any component parts. Why should we be? What difference would it make if we do not make them? Others will make them. One does not have to be

offended by that, even if one does not believe in my view of disarmament. One can be the strongest advocate for putting more nuclear weapons into Europe, if one wants.

Just before I stood up, I was handed a CP wire story about what the Russians have done in terms of the disarmament talks and what the escalation of putting new weapons into that theatre has done. Within a very short time, we are going to be within a 10-minute strike range of nuclear weapons here. They are going to add more SS-20s, not just SS-21s and 22s and 23s, as they said they would do if this went ahead. The madness is continuing.

We must take a tiny step, as my friend the member for Kitchener-Wilmot (Mr. Sweeney) said. It is not a large step for us to take. It does not undermine our role in NATO. There are members of NATO that do not have nuclear weapons. There are many ex-NATO leaders who believe our policy of building up nuclear weapons in Europe is totally counterproductive—McNamara, other generals and admirals in that theatre.

I plead with members today not to close their minds to this. Finally, the sense of psychic denial that has gone on in our society of not being able to deal with the enormity of the situation is being broken. I can feel that in the responses we are getting to the campaign we have had over the past number of months; it is among the people. I encourage members here to break down those barriers, to be able to hear and see that we can take action and that there are things we can do.

We do not have to listen to the old, pat answers of peace through strength etc. There are different ways to interpret strength. Thirty thousand weapons on our side are surely enough. Strategic analysis shows all we need is 12 missiles in Europe to guarantee European security. To have 30,000—and now they are talking about developing another 3,000 cruise missiles in the next few years—is insanity.

It is bringing us to a point where we will not be able to control it. Nor would we be able to verify where they are, because they will be in the backs of trucks travelling around North America and Europe. If there is an accident, there will not be time. With six minutes from launch until a missile hits, a field commander could blow us all away and we would not be able to stop it.

I plead with the members of this House not to vote on this in strict terms of whether we can do this on our own. I agree that we have to negotiate with the federal government. It is the

principle I am talking about. If members do not vote for it, they are saying, "We want nuclear weapons in Ontario and we want to produce nuclear arms in Ontario."

If that is where a member stands, he should say so; but if he does not, no matter how he stands on disarmament in general, he must support this motion. I urge members to do so with all my heart.

4:30 p.m.

Mr. Shymko: Mr. Speaker, I commend the member for Scarborough West, who has presented this resolution. I commend his sensitivity and compassion. The issue must be debated sincerely, openly and in a nonpartisan way.

I will say something I should not be telling members now. After question period recently, someone from the Premier's office came to me and said: "The cabinet is worrying about what you will be saying. Make sure you don't go overboard."

I was in Dresden on February 11 and 12, a kid in the railway station, when the American and British bombers flew over. Have members read the statistics of Dresden? More people were butchered in Dresden than in Nagasaki and Hiroshima combined. We were civilians, women and children escaping, caught in a war between the Nazi forces of Germany and the Soviet forces of Russia.

No, I am not going to exaggerate. I communicate with people like us by letter where I have to be careful what I say and how I say it. They in turn have to be careful how they answer back. A priest came to see me last night. He sent a parcel containing a Bible that was opened, torn and shipped back after six months because it was subversive material.

We live in a terrible situation. I have blood relatives in that part of the world who do not want war. They are people; they raise their families; they worry about their future just as much as we do. Members will recall pictures of the German people in 1939 and 1940. There was nothing different between the German people and the people of England and the United States. People are people.

However, there is a hell of a difference in the regimes that have the power today to blow up this entire planet. We all saw pictures of the Goebbels family, a loving, beautiful family. We saw Hitler kissing children at a time when human beings were made into soap, when hundreds of thousands of people were gassed by a regime that spoke about peace in 1939, 1940 and 1941. It was not just the Nazis; so did the

present regime of Soviet Russia along with them. When we fought the Battle of Britain, they were together. They spoke of peace. The only treaty Soviet Russia has not broken is the Nazi-Soviet pact, the Molotov-Ribbentrop treaty. It was never broken.

That regime had to be pressured for 25 years by the Jewish community and other communities in the free world to put up a monument for Nazi victims at Babi Yar and in Kiev. Do not tell me about holocausts and that I am supposed to be some kind of fanatic in the concern for human life and the depiction of this regime. People are people, but there is a hell of a difference between Jaruzelski's regime and the 10 million members of Solidarity, and our governments, our workers, and their state and ours. Yes, we are all people.

Churchill was told by a member of the Labour Party in 1939: "You are a warmonger by attacking the peaceful initiatives of Hitler. Listen to his peace initiatives." He replied, "Madam, if I cannot show you the real face of Hitler today, in the spring of 1939, you will see the real face of that regime—not the people of that regime but the real face of Hitler—when it is too late."

I am concerned. The danger is not nuclear power but who has it. I respect the honourable member, but I shudder at some of the inconsistency of his rationale.

There is a man who received the Nobel peace prize who is well known to all of us, Dr. Andrei Sakharov. The very night Solzhenitsyn landed in West Germany, I called Dr. Sakharov. I had the privilege of having five conversations with him. In an open letter this year to Dr. Sidney Drell, he agrees. He says discussing the problem of nuclear disarmament and peace is the most important problem facing mankind, and I agree.

He says "the USSR at the present time has 8,000 thermonuclear charges deployed" against the west. "Many of these charges are warheads on ballistic missiles, and many of these are multiple, independently targetable re-entry vehicles (MIRVs). It should be noted that the basis of the USSR's arsenal (70 per cent, according to statements by Tass) consists of gigantic, land-based missiles . . . on mobile launchers." Some of their cruise system missiles were developed in 1974-75 at the peak of détente.

He says "it is doubtful whether masses of aircraft" from the west "could penetrate Soviet territory" to prevent some semblance of balance, except for maybe the cruise missiles. It may give some semblance of balance so they can negotiate. Currently that is impossible.

He is deeply concerned by that. He says, "I am convinced that the following basic tenet of yours is true: Nuclear weapons only make sense as a means of deterring nuclear aggression by a potential enemy; i.e., a nuclear war cannot be planned with the aim of winning it." It is impossible.

He refers to the problem that we have not relied on conventional forces since the late 1940s. He says "the west's lack of political, military and economic unity" was part of the cause of this, as well as "striving to avoid a peacetime militarization of the economy, society, technology and science." Conventional forces were put second, while the numbers doubled on the other side; a regime that is no different from that of Nazi Germany.

He says, "The restoration of strategic parity is only possible by investing large resources and by an essential change in the psychological atmosphere in the west." Are we ready to make certain limited economic sacrifices and to double our commitment of conventional forces in NATO? Are we ready for this? A great deal depends on the west's politicians to be able to carry on such restructuring fundamentally between conventional and nuclear forces. If we are ready, then yes, by all means.

He continues, making a very strong statement:

"Precisely because an all-out nuclear war means collective suicide, we can imagine that a potential aggressor might count on a lack of resolve" and unity "on the part of the country under attack to take the step leading to that suicide; i.e., it could count on its victim capitulating for the sake of saving what could be saved. Given that, if the aggressor has a military advantage in some of the variants of conventional warfare or . . . in some of the variants of partial (limited) nuclear warfare, he would attempt to use the fear of further escalation to force the enemy to fight the war on his (the aggressor's) own terms."

The Acting Speaker (Mr. Robinson): The member's time has expired.

Mr. Shymko: I am quoting Andrei Sakharov, who was involved in the development of the nuclear armament in the Soviet Union. He was exiled and is persecuted to this day. One cannot read this in the Soviet Union; I wish we could.

The Acting Speaker: Order.

Mr. Shymko: I want to conclude by saying that we must strive to find a solution to disarmament on the basis of balanced, verifiable means of disarmament, but Denmark is differ-

ent because its proposal is not the same as ours.

The Acting Speaker: Order.

In recognizing the member for Kent-Elgin, I draw his attention to the clock.

Mr. McGuigan: Mr. Speaker, the member for Essex South (Mr. Mancini) and I have agreed to split the time, but I understand there are only about six minutes left.

I rise to speak to this resolution with a humble heart, daring out of conscience and obligation to touch upon the awesome subject. The military madness of the two great powers is drawing us closer and closer to the end of the world.

As a scientist, I accept the thesis that the day after would be no day at all, but rather the night of a winter that would last for centuries. As a strategist, I conclude that the bomb is not a weapon of war; it is an instrument of blackmail and terror which, once unleashed, consigns us and all generations to the inferno.

4:40 p.m.

I compliment the member for bringing the issue forward. Discussion is a step towards awareness; awareness is a step towards dedication. I respect the peace movements around the world. I believe they are spontaneously erupting from genuine fear of the converging nuclear path the two superpowers are taking.

However, the resolution, well meaning as it may be, in my opinion does not address the problem we as a civilization face today. The situation we face today is a political rather than a military situation and the resolution points to a strategic solution.

The resolution does not address the real problem. Military planners on both sides assume they have an inhuman, ambitious enemy on the other side, an enemy which at the slightest sign of weakness would launch its missiles for no reason or hope of military or political gain but simply because the other missiles were there waiting to be launched under similar circumstances.

Underlying these harrowing assumptions are the anti-intellectual views of persons who interpret the two countries' histories as dictating the way they must react.

The United States, on the one hand, is largely a collection of the descendants of refugees and adventurers who fled the rigours of a class society to form a free-wheeling, relatively classless society in a raw country of enormous natural wealth. They owe their prosperity to hard work, to the oldest and most successful common market in the world, to a lack of nearby enemies

and to the protection and insularity afforded by the oceans. They understandably judge their success on their ideology of freedom rather than on their circumstances. They believe with a passion that the American way should be the way of the world. Their own rhetoric carries them along.

The Russians, on the other hand, have their hatred of czarist principles. They believe with a passion that in order to achieve security in a hostile world the individual must sacrifice his or her independence. As a mostly land-locked power, they have maintained huge standing armies. They are paranoid about guarding their territories. They take every opportunity to expand their border. Twice invaded by Germany, having lost 20 million people in the Second World War, they are absolutely determined to hold on to the east European countries to prevent such a recurrence.

The awful spectre of these two giants squared off against each other is horrifying, impossible to understand or assimilate diplomatically, linguistically, religiously or historically.

Each side must accept the other. There is no democratic government waiting in the wings in Russia. There is no communist government waiting in the wings in the USA. Each of the giants could take some risks, such as declaring that it would not make a first strike. Sadly, however, the refusal to do so guarantees arms escalation. In my opinion, such a refusal enhances the chance that the so-called weapons will be used, and with them will come the consequent end of the planet.

Unilateral disarmament and declaration of nuclear free zones are inadequate and futile. The only hope is in rational discussion, an end of bullhorn diplomacy, an end to rhetoric. If we begin today it would take a lifetime to put the present stock of bombs out of commission.

Sadly, we are going to need slow, painstaking efforts on both sides to try to understand the other, its history and its purposes. We need travel, trade, an interchange of ideas and diplomacy between the superpowers. We need statesmen willing to put their prestige on the line to mediate and defuse the pressure points that will continually plague the affairs of the two great powers.

I close on a note of hope. We have avoided global worldwide war for 38 years. One generation has been spared. Though terrifying, there is hope in the cold, shuddering fact that we cannot escape the consequence of nuclear war. We must therefore face the issue. There is also hope

in the knowledge that we have intelligent human beings on both sides. There is a hope in the fact that civilized human beings strive towards a future and strive not to erase the past of human history.

I cannot support the motion because in my opinion it does not offer a solution. I do, of course, support the intent because the problem is not in finding a nuclear free haven. The solution is in the nature of mankind because the problem is mankind itself.

The Deputy Speaker: I thank the member for his remarks. The time for this matter has expired.

AVIAN EMBLEM ACT

Mr. Pollock moved second reading of Bill 67, the Avian Emblem Act.

Mr. Pollock: Mr. Speaker, I would like to thank the member for Fort William (Mr. Hennessy) for trading slots with me and enabling me to bring forth this bill. I appreciate his doing that. I have always enjoyed his comments in caucus. Also, I have had conversations with him and he is always very concerned about his constituents in Fort William and in particular the Thunder Bay area.

It is my pleasure to rise and speak on the—

The Deputy Speaker: Order. As members may be leaving the assembly and guests leaving the gallery, I would ask them to do so as quietly and efficiently as they can. The member will continue.

Mr. Pollock: It is my pleasure to rise and speak on the Avian Emblem Act, which proposes that the blue jay be made the provincial bird of Ontario. I would like to point out that I have had a lot of comments from members saying, "This bill is for the birds." I appreciate their sense of humour and their lighthearted comments, but I am quite serious in promoting this bill.

Perhaps the House may wonder why I chose a certain bird to be emblematic of our province. There are several reasons. The first reason is sentimental. I can remember as a child, seeing blue jays out the kitchen window in the fall of the year. This familiar sight would always inspire my mother to quote words of Wilfred Campbell's great poem, *Indian Summer*.

"Along the line of smokey hills the crimson forest stands,

"And all the day the blue jay calls throughout the autumn lands.

"Now by the brook the maple leans with all his glory spread,

"And all the sumacs on the hill have turned their green to red.

"Now by great marshes wrapt in mist, or past some river's mouth,

"Throughout the long, still autumn day wild birds are flying south."

My mother has passed away now, but I know she would have been very pleased to have the beautiful blue jay represent our great land.

Second, is it not the most colourful of all birds in any area? The bright blue of its feathers stands out against the green of the forest in the spring and in the summer. The combination of white, black and blue can be quickly recognized against the autumn leaves and its beauty is very visible in the background of sparkling winter snow.

I am sure there are other birds which stand out because of their colour. However, because of the vivid colours of the blue jay, I feel it is easily recognized throughout Ontario.

This brings me to the third reason, which is that the blue jay is native to all sections of Ontario, from the north to the south, from the east to the west. When considering this bill, I spoke to the Minister of Northern Affairs (Mr. Bernier), the member for Kenora, who told me that he had all kinds of blue jays in his backyard, feeding at the bird feeder. I would like to point out that he lives north of the 50th parallel.

4:50 p.m.

Blue jays can also be found in the level farm lands of Oxford and Middlesex counties, in the Bruce Peninsula and in every area of southwestern Ontario. In my riding, that fine riding of Hastings-Peterborough, this bird is native to every inch of it. I would just like to name a few of the places where one could find the blue jay: Galway, Nogie's Creek, Warsaw, Buckhorn, Apsley, Chandos, Maynooth, Hybla, Coe Hill, St. Ola, O'Hara's Mills, Murphy's Corner, Sulphide, Tweed, Thomasburg, Deseronto, Tyendinaga Lala, Plainfield, West Huntington, Springbrook, Tiffany Station and Bonarlaw.

In fact, the blue jay can be found in the Laurentian highlands and in the Ottawa Valley. The blue jay is native to our national capital and, most important, to our provincial capital. When I was motoring down here on Monday morning I crossed Northumberland county road 35, proceeded along Highway 45 and happened to notice a blue jay flying across the highway. Even though I was driving at a reasonable highway speed, I still recognized the colourful

bird. It think it is a plus for this province to have a bird that is easily recognized.

One thing I would like to mention is that the blue jay is not a nuisance bird like swallows and in particular sparrows and starlings. These birds are a real problem around the barns, drive houses and feed mills. They make nests there and are rather unsanitary. Even the pigeons around Queen's Park are nice, but they can be a real problem. One member of the staff in this building counted 100 direct hits on her car.

I have seen owl replicas or sometimes stuffed owls hanging in feed mills to keep these nuisance birds out. Sparrows will not go into a building if they see owls. The owl is regarded as a bird of prey even though it is a protected bird.

I have given reasons of beauty, habitat and personal preference, but now because of business promotion I bring the fourth. I feel that if we have a provincial bird it would promote the tourist industry. Industries such as Hinterland Handcrafts Ltd. in Bancroft would prosper greatly, as this company makes leather items sold in many tourist shops throughout Ontario. I think most of the members have seen some of their works in leather trillium pins and other souvenirs. Such places have requested a provincial bird and in one of their displays I have bought a leather blue jay which I would like to show.

I would also like to mention that shops throughout Ontario carry figurines of china and ceramics, oil and water paintings, and wood carvings using the blue jay as their subject. The Buckhorn Wildlife Art Festival, which attracts 20,000 visitors each year, would benefit if we chose this provincial bird.

As a member of the Ontario Legislature, I feel that because the province has a provincial flag, a provincial gem, a provincial flower and a provincial tree, let us further the progress of this province and be proud to call the blue jay the beautiful provincial bird of Ontario.

Mr. Boudria: Mr. Speaker, I read the bill in its entirety and was somewhat puzzled by it—not because of its intent, for who could argue that one wants to have a provincial bird or provincial anything else? What disturbs me, though, is the fact this bill is proposed by a member who, like myself, represents a constituency in eastern Ontario.

Eastern Ontario has had more than its share of trouble, more than its fair share of unemployment and of all the other ills we have suffered in this province over the past few years. It surprises me that when a colleague from

eastern Ontario brings forth a bill in the Legislature the most important thing the bill addresses itself to is regarding a bird. While I cannot be against the bird bill, I have grave reservations as far as its relative importance to other things we do in this province.

The member did enumerate some of the towns in his constituency—Bancroft, Tweed, Marmora and Plainfield. They are all communities I pass through when I drive back to my own riding in eastern Ontario. If we were standing on the sidewalk in Tweed and asked what is the most important issue in Tweed right now, I have grave reservations whether the bird bill would be first on the list of priorities of the people of Tweed.

It would not be first on the list of priorities of the electors of Prescott-Russell. I doubt very much whether it would be first on the list of priorities of the people of Chatham either, or anywhere else. But I am especially concerned about the eastern Ontario aspect because, like the member who proposed the bill, that is the area I represent.

I can recall the remarks made by the member for Northumberland (Mr. Sheppard) not long ago in this Legislature when he discussed something that was needed in eastern Ontario for communicating with the people of this province. The member for Northumberland wanted more towers so we could have TVOntario out in his area and the people of his riding could be served. He said the people of eastern Ontario were treated as second-class citizens because they could not get proper television coverage from this government, the government of which he himself is a member.

I know the two constituencies are near each other. I would be surprised if all the areas in the riding of Hastings-Peterborough were covered with TVOntario. Perhaps they are and they have no such problem. Perhaps all the unemployment problems in Bancroft that we heard about last year have been solved. Perhaps all the tile drainage problems that we have had in eastern Ontario over the last few years have been resolved as well. Perhaps they have all been resolved since I left my constituency yesterday. But I would suspect that is not the case.

I represent an area that has suffered very high unemployment and where farmers have difficulty trying to make ends meet. When one hears at public meetings in eastern Ontario that our pork producers cannot get any more than 58 or 59 cents a pound for their product that cost 85

cents a pound to produce, according to the Ministry of Agriculture and Food, it is very difficult to accept that they cannot get assistance from their government.

As a member for eastern Ontario, it is difficult to accept that the combined constituencies of Stormont, Dundas and Glengarry and Prescott-Russell get less in tile drainage loans than the county of Lambton. Why? Why do we in eastern Ontario deserve to be treated this way by this government? I would suspect we deserve better. We deserve better than this kind of legislation. We deserve better than the treatment we have been getting from this government.

The death-bed repentance, as my colleague the member for Renfrew North (Mr. Conway) referred to it, by the actions of this government when it walks into Stormont, Dundas and Glengarry and other areas of eastern Ontario telling what a great job it is doing and it is going to spread around a few more dollars here and there trying to buy a few votes in our area, is just not going to work. Legislation like that is not going to work to convince the people of eastern Ontario that they are getting their fair representation.

If we were in a traffic jam at this very moment on the Queensway in Ottawa, a traffic jam which will last for the next eight years, courtesy of the Minister of Transportation and Communications (Mr. Snow), a blue jay is not what we would want to hear about. We would want to hear about a program to solve the problems we have of being in a mess in the national capital of this country for the next eight years, courtesy of the government.

5 p.m.

I want to discuss briefly issues regarding my own constituency in eastern Ontario where we really need assistance from the government of this province and where Bill 67 should address itself to those issues. Mr. Speaker, if you were a member of eastern Ontario at heart, you could have given another name to this bill because the most important bird in eastern Ontario is not the blue jay. I have another one I would like to offer to all the members. The most important bird for eastern Ontario, given the actions of that government over the past year, should more properly be the broiler chicken.

Mr. Ruston: Not turkeys, chickens.

Mr. Boudria: The electors of my own riding, the chicken farmers of my constituency, deserve much better than they have received from this government.

As the member for Essex North (Mr. Ruston) says very clearly, we have a government that over the last months has persecuted the farmers of my constituency, who have been trying to make ends meet by raising agricultural products, mainly broiler chickens, while we see customers, whether they are McDonald's or other restaurants, unable to get products. We see the people of my constituency driven out of business by an inconsiderate government across the floor, while the best the government has been able to offer to the people of eastern Ontario has been a few crumbs.

The Deputy Speaker: This is not a government bill, as the member knows. It is a private member's bill.

Mr. Boudria: I will come around to that. I am well aware of who proposed this bill. It is a Conservative member of the government from eastern Ontario whose same government has neglected the people of our province. Legislation of this sort, proposed by a member from eastern Ontario who should be well aware of the problems we have had in our area, is inexcusable and it is intolerable.

Of course nobody could disagree that the blue jay is just as good a bird as any other. Some people have referred to other birds as being preferable. However, there is nothing wrong with the bill, but there is very little going for it.

Those will conclude my remarks. As a member representing an eastern Ontario constituency, I feel insulted that some people in this Legislature think there is nothing more important to propose to the people of eastern Ontario than a bird.

Mr. McClellan: Mr. Speaker, I rise with an exquisite sense of the grotesque to participate in this debate on Bill 67. I do want to thank the member for Hastings-Peterborough (Mr. Pollock) for offering to give us the bird that is set out in the bill before us.

He has proposed, as we know, the blue jay as Ontario's provincial bird. While I certainly accept the principle of having a bird, I want to propose that instead the provincial bird for Ontario should not be the blue jay but the cardinal. I have a number of important arguments to make in support of my contention that the blue jay is a totally inappropriate bird, not to say nasty and vicious, which does not represent in any way, shape or form the noblest aspirations of the people of this province.

I should say, by the way, that I have for reference my own copy of a Field Guide to the

Birds by Roger Tory Peterson. Members can tell that my approach is nonpartisan and bipartisan. In fact, I want to take politics out of bird watching in this province and give it back to the people.

The genealogy of the blue jay, as I am sure Mr. Speaker is aware, is that it is related to the crow and the raven. It is a misbegotten miscreant. The cardinal, on the other hand, is related to the finch, a fine Irish family.

The colour of the blue jay has been described by the member for Hastings-Peterborough with complete inaccuracy. The Latin name is a dead giveaway, *cyanocitta cristata*. That, of course, as members know, is the colour of cyanide. It is a poisonous, sickly blue colour. Why is it that the Tories want to inflict this awful colour on the people of Ontario? They have done it to our dining room. The rugs are blue, the walls are blue, the napkins are blue, the menus are blue, the chairs are blue and the uniforms of the waiters are blue. Now they want to give us another dose of a cyanide-like colour.

Then there is the voice of the blue jay. I simply read this; I do not do bird imitations, unlike some of my colleagues. It is described as having "a harsh, slurring 'jeeah jeeah'" or alternately, "a musical 'queedle, queedle.'" The cardinal is described as having a clear whistle, lowering in pitch, described as "what-cheer cheer cheer, whoit whoit whoit, or birdy birdy birdy." Can Mr. Speaker compare that with "jeeah jeeah jeeah"? Absolutely not.

The blue jay, of course, is well known to my colleagues from northern Ontario and is commonly described as the thief of the forest. It will steal from campers; it will steal from passersby. It is a scavenger. It is related to the crow. It is described in this book as "eating almost anything."

But the cardinal, which is related to the finch, is something of a gourmet. The cardinal dines on seeds, insects and small fruits. It has been known to frequent our finest hotels and is even a fine companion at picnics from time to time. The blue jay's known associates are scavengers, thieves and low lifes, like the crow and the raven. The cardinal associates only with quality.

The range of the blue jay is not the entire province of Ontario, contrary to what we have been led to believe. The blue jay does not inhabit the far north, but the cardinal has been seen as far north as Ear Falls.

The cardinal, in short, is loyal, devoted, easily trained and can become a fine pet. But the blue jay is misbegotten, squawking, thieving, scavenging, poison-coloured and a glutton.

How could anybody propose that the blue jay be our provincial bird? I do not intend to take the full 10 minutes. I propose as an alternative a bird of eminence, the cardinal.

5:10 p.m.

Mr. Stevenson: Mr. Speaker, I am certainly pleased to join the debate on this bill to support the member for Hastings-Peterborough in what I feel is a very good choice in selecting an avian emblem. Of course, I would have no difficulty supporting the member for Bellwoods (Mr. McClellan). He certainly did make a rather eminent choice. I expected that would come out in the debate this afternoon.

I am surprised that so far no one has suggested the seagull, with the publicity this province and Metropolitan Toronto got throughout North America over this past summer.

Mr. Wildman: The Blue Jays defended the seagull.

Mr. Stevenson: Yes, I suppose that is the answer.

Members have made some suggestions, many of them in a rather lighthearted fashion. I am surprised that members of the official opposition did not come up with some bird that was particularly adapted to sitting on fences or flying around in circles.

Mr. Wildman: It is called a mugwump.

Mr. Stevenson: Speaking of the mugwump, there is a good university party song some members may know called the Wild West Show. There is a gullagalloo bird referred to in that song, which I thought was rather apropos to describing birds flying around in circles. I will not describe it here. I am not sure this is the time or place.

As for the members of the third party, I thought they might have selected a bird from an endangered species, something they could identify with, or possibly one with only one wing, which would have to be a left wing. If we do select a bird, it will likely appear in the next \$200 calendar of the Ministry of Natural Resources.

It is interesting to note that five provinces have selected avian emblems: Alberta, Saskatchewan, Quebec, Prince Edward Island and New Brunswick, which recently picked the black-capped chickadee. Every American state has an official avian emblem. Regardless of what one is selecting for official designation, whether a plant, a mineral or an animal, it is a very difficult task.

Anyone wishing to talk to the Natural Resources people will learn that a great deal of thought and

consideration went into selecting the white pine as Ontario's official tree. As a matter of record, it is safe to say we could expect some controversy on this issue. I am sure the member for Hastings-Peterborough was prepared for controversy when he made this suggestion.

Certainly, there was considerable controversy at the time of the selection of the trillium as the floral emblem for this province. There was a Globe and Mail headline on March 11, 1937, which read, "Party Lines Are Split over Floral Emblem." The story related to how members of various parties had some dispute over what the emblem should really be. The debate over the floral emblem became quite heated, with many members referring to the merits of dandelions and shamrocks, Scottish thistles and so on. Finally, the issue was handed over to the agricultural committee before any final decision was made.

I am surprised at the attitude of the member for Prescott-Russell (Mr. Boudria), who started taking exception to the member who brought forth this private member's bill. It certainly is not a government bill. He is showing his lack of knowledge of what an emblem can do.

I would again come back to the trillium. One of the best-known logos in Ontario is the trillium. We use it on a regular basis to advertise the very products the member seemed to be somewhat sarcastic about. We use it in our grocery stores today to advertise the products of our Ontario food producers. The shoppers of Ontario are clearly looking for that emblem when they select food products. We have made use of it in a very great way.

As the member for Hastings-Peterborough points out, the blue jay as an avian emblem possibly could be used to advertise the recreational and tourism activities in our province. Most certainly, it would help small business in merchandising. If it could begin to have the impact that the trillium emblem and logo have had in this province, it would be a major step forward and would help the very people the member was talking about. Not only does the member for Hastings-Peterborough have an excellent idea, but also I think it is very clear that we have the proof it can very well work in the way he has suggested.

I would like to point out that I like the appearance of the bird, its size and so on. We have heard a little bit about the bird's call, which can be a bit harsh at times, but the blue jay does have other sounds most people are not aware of. As a matter of fact, they are very pleasant

sounds if one can catch them at the proper time. It is certainly not just the harsh call we are aware of.

Many residents of this province have shown over the years that blue is a preferred colour. If they were given the opportunity, I suspect they would continue in their great tradition of showing their good judgement in selecting a blue-coloured bird.

Some might suggest it is not the best of choices because it does not live in the whole province. A careful examination of bird books—and I would also use Peterson's bird book that the member referred to earlier—definitely shows that the blue jay is found at least as far as Kenora, Sioux Lookout and the Lake Nipigon and Lake Abitibi areas. So it certainly includes most of the heavily populated part of the province. I would also point out to the members that we do have a maple leaf on our flag and the maple tree does not grow in all parts of Canada.

In the Durham-York area we have some excellent cross-country skiing, excellent horse-back riding trails and all kinds of outdoor activities in and around Lake Simcoe and Lake Scugog. Anything that will help to sell the recreation and tourism industries in that area will be greatly appreciated. I have no hesitation whatsoever in supporting the member for Hastings-Peterborough in his bill to select the blue jay as the avian emblem of this great province.

5:20 p.m.

Mr. Conway: Mr. Speaker, I participate in this debate as an eastern Ontarian. I must say I have a great deal of liking for my friend from Stirling. He has been here two and one half years and I find him to be a very thoughtful, always considerate kind of fellow. It is good to be able to join in his private member's ballot item. I support the principle of Bill 67.

In so doing, I want to note the speech of the member for Bellwoods, which I thought was really a very fine speech.

Mr. Wildman: Don't you think he did it with grace?

Mr. Conway: As the member for Algoma (Mr. Wildman) said, the member for Bellwoods did it with such grace and panache as to make one hopeful for the future prospects of the member for Bellwoods. I congratulate him because it was a fine speech.

Notwithstanding my personal liking for the member for Hastings-Peterborough and my support for the principle of Bill 67, surely we as

eastern Ontarians—particularly, as my friend from Stirling will know, those of us who represent rural, small-town eastern Ontario—have more pressing concerns on our public agenda.

I have before me a recent copy of the Bancroft Times in which the member for Hastings-Peterborough appears prominently with Sally Barnes.

Interjection.

Mr. Conway: I see I have excited the attention of the member for Chatham-Kent (Mr. Watson).

The Acting Speaker (Mr. Cousens): Order.

Mr. Conway: To you, reverend sir, in the chair, let me say there was a recent public meeting sponsored by the Hastings-Peterborough Progressive Conservative Association, at which Sally Barnes was the prominent guest speaker and at which women's issues were a number one concern on the agenda of that meeting. I congratulate the Hastings-Peterborough Progressive Conservative Association for having had Sally Barnes, one of the great neutrals in the public debate of this province, to the great town of Bancroft to discuss that great and important issue of women's issues and the role of women in the society of the 1980s.

I might have thought on the basis of what I read in the Bancroft Times that we would have been seized today with a private member's ballot item from the member for Hastings-Peterborough about that issue. For example, I know the member for Hastings-Peterborough is a successful dairy farmer from the southwestern portion of the great county of Hastings.

Mr. Haggerty: Cattle do not like blue jays that's for sure.

Hon. Mr. Andrewes: Don't get personal.

Mr. Conway: The honourable member is a very distinguished, prominent and successful agriculturist from the great county of Hastings. I thought we might have had a ballot item today dealing with the matters of urgent and pressing concern that affect so many farmers in Hastings Renfrew, Lennox and Addington, Stormont Dundas and Glengarry and elsewhere, but to note with some concern a lack of the kind of agricultural insight I know the member for Hastings-Peterborough possesses.

For example, I know the member for Hastings-Peterborough is keenly interested in the fate of that great northern community in his riding Bancroft, where some year ago there was a mine shut down with a loss of some 400 jobs in his

constituency. I know because we have a mutual interest in that community—

Mr. Stokes: Which principle of this bill are you referring to?

Mr. Conway: I say to the former Speaker, the knight commander of all the good people of Schreiber and Lake Nipigon, I support the principle of the bill, but I note that, in my view, the member for Hastings-Peterborough has not taken full advantage of the private members' hour to discuss issues in which I know he has a great interest and about which he has great expertise. As a fellow eastern Ontarian, reverend sir—

The Acting Speaker: Speak to the Speaker. You are talking—

Mr. Conway: Mr. Speaker, I am sorry, but I know of your roots not only in religion but also in Vankleek Hill and that you are sensitive to the rhythms of rural eastern Ontario. I know you would share with me a sense of surprise that in these troubled times in rural, small-town eastern Ontario, our good friend the member for Hastings-Peterborough advances the cause of avian emblems.

When I stop to have a coffee and a doughnut in Bancroft, they are not as concerned about blue jays as they are about where the job for tomorrow is going to be. They are concerned, I know, in Madoc, Marmora and Plainfield about agriculture. They are concerned in all of Hastings and part of Peterborough, ably represented by my good friend from Stirling. Difficult as it is, I want to be fair and honest in respecting the facts.

Mr. Robinson: First time today.

Mr. Conway: My friend the member for Scarborough-Ellesmere points out that it may be the first time today, but I am proud to say there can be a first time even from a partisan such as myself.

I know the good farm member from Stirling shares with me a private if not public concern about the carryings-on of the asphalt twins, the Minister of Agriculture and Food (Mr. Timbrell) and his deputy, Mr. Allan, who are creating no small measure of havoc in terms of agriculture in Ontario in 1983. These asphalt twins from Don Mills and the Ministry of Treasury and Economics do not even understand the impact of their tax policy on farmers in the Niagara Peninsula. Thank God for the member for Lincoln (Mr. Andrewes), who brought them to their senses, along with many on this side, in holding back that reform, which not only was

going to visit destruction upon a lot of farm income and tax situations but also might have sunk the Minister of Agriculture and Food in his leadership campaign and left the member for Cochrane South (Mr. Pope) advancing strongly on the inside.

I would have thought the farm member from Stirling, as he can do very specially from his lifetime in that industry, and with the good help of the squire of Roseneath, seated to his immediate right, who also understands these problems, would have advanced the kind of agricultural insight that they alone have amongst the senior bureaucracy in the Ministry of Agriculture and Food.

What do we get? We do not get a ballot item about the concerns of rural life in Stirling or Hastings-Peterborough. We get this esoteric cause of avian emblems. God save and God bless the blue jay. Some wag here was saying the choice may be between the Cardinals and the Blue Jays. Even those of us who are on the Ottawa River frontier and who have loyalties to the Expos, given the choice of the Cardinals and the Blue Jays, would unquestionably have to—

Mr. T. P. Reid: The Premier's (Mr. Davis) choice is the cardinal. I think he wants the cardinal.

The Acting Speaker: Order.

Mr. Conway: Some wag in the precinct said the choice was apparently between the Cardinals and the Blue Jays. Given that choice, I want the Solicitor General (Mr. G. W. Taylor) to know, so that he can tell his friend and mine, the member for York East (Mr. Elgie), that we from Pembroke, St. Catharines and Woodslee support the Blue Jays without any real equivocation.

However, consider the unemployment rates in Hastings-Peterborough. This great party of ours recently put forward a creative and positive alternative in terms of youth employment and skills development. In the process of generating that positive alternative, we ran some material with Statistics Canada on youth unemployment figures in Ontario. The Peterborough area has one of the highest youth unemployment profiles anywhere in Ontario, second only, as I recall, to northeastern Ontario. I know the member for Hastings-Peterborough understands the pressures of unemployment in his great riding. I would have thought there might have been something in his private member's public business in that connection.

I would have thought he and the squire from Roseneath and others from rural eastern Ontario

would have wanted to get up in their places and complain about the lack of rural representation from the great reaches of the eastern portion of our province in the cabinet of the Premier, the largest, most bloated executive council in the history of great Ontario. Since the early part of July, we have not had a farm representative from rural eastern Ontario.

I would have thought the member from Stirling might have stood up today and advanced his own cause in that connection or helped with the good and noble cause of the member for Lanark (Mr. Wiseman), whose unceremonious and, in my view, uncalled-for dismissal in early July of this year represented a slap in the face to the good people of Hastings-Peterborough and elsewhere.

5:30 p.m.

Mr. Breagh: Mr. Speaker, like many, I have been anxiously awaiting this afternoon's debate as one of the highlights of a career in parliament. Before I begin, though, I want to say that the irony is upon us of the tone of the debate that occurred in the first hour of private members' business today, and of its subject matter and this one.

It is the right of every individual member to establish his or her own priorities and to put before the Legislature a bill or a resolution he or she thinks is a priority item. Therefore, the member for Hastings-Peterborough is simply exercising his right as a member to say this is the matter he feels the Legislature ought to debate this afternoon. That is his choice. Whether or not I agree with its being a priority item, I do agree with the concept that each one of us has from time to time an opportunity to put something before the Legislature. I would be reluctant to see that change.

I have listened to the debate so far. At the beginning, I want to say I have no real objection to a bill of this nature coming before us. It strikes me that it is hardly a priority item, but there are many who would feel that some kind of selection process for a provincial bird is a worthwhile thing for a Legislature to do.

Mr. McClellan: Are you suggesting a royal commission?

Mr. Breagh: No. I am not suggesting a royal commission on picking the bird, or a select committee or anything of that nature. It might be useful to some people, I do not know, but it would hardly be a priority of mine. I am hearing lots of good concepts of what could be done

with this bill, but not all of them could be put on the record.

I want to say at the outset that I listened very carefully to the eloquent argument put forward by the member for Bellwoods for his alternative. I was impressed by his arguments. I think it is my own personal disposition this afternoon not to support that well-put argument. I have a little reluctance to associate myself with cardinals these days, and I think it is because cardinals are sometimes caught in bad company. Perhaps it is not their fault, but that is where they are.

If we were going over the record of the government of Ontario and we wanted to choose a bird to represent Ontario, for the last period of time I think some criteria could be established. First of all, it would obviously be a capon of some sort; I do not think there is any question of that. The logical choice most likely would be a turkey. If we were trying to parallel the bird of choice with the government's actions, without question it would be a turkey of some kind.

Hon. Mr. Elgie: You would be the capon. Do you know what a capon is?

Mr. Breagh: The minister is suggesting he use his surgical skills again. His neurosurgical days are over with, particularly—

Hon. Mr. Elgie: That is a skill you never lose.

Mr. Breagh: That comment indicates he would be a dangerous man with a knife.

The problem I came to with this bill is not the qualities of the blue jay, but that the blue jay has been associated now with things I would really rather not have pointed out to people. The Blue Jays, of course, are well known as a baseball team in town. The Blue Jays have a close relationship with a brewery. So it strikes me as being inappropriate to pick the blue jay as the bird of choice for Ontario. There are many who would be offended by that obvious connection between a brewery and the province's national bird. I also find the colour blue somewhat offensive, but that is another matter entirely.

The reason I cannot support this bill is that it becomes obvious to me, and I think to anyone who has watched the process of politics in Ontario over the years, that these little logos, which start out as being a simple way to identify Ontario, somehow become obviously entwined with another blue conspiracy sooner or later. The trillium, which started out to be a symbol of Ontario, has been turned into part of the big blue conspiracy.

Hon. Mr. Ashe: We don't have a blue trillium.

yet. We are working on it but are not successful so far.

Mr. Breagh: The minister admits failure in that regard too.

Hon. Mr. Ashe: No, just working on it.

Mr. Breagh: Perhaps he should put out a contract on that concept. He seems to be relatively successful lately at putting out contracts.

It became obvious to me after a short while of contemplation on this bill that in the first instance the concept here is not one that is going to cause me a great deal of concern, but the choice of the bird is wrong. I think that has been clearly demonstrated during the speeches here this afternoon.

The blue jay is not the bird we are after. We are looking for another bird. The member for Bellwoods has put forward his option of the cardinal and made an eloquent case for that. There may be justification and we may well see what some have rumoured that there will be a select committee struck to go into the choice of bird, that a tour of the world is in order and that they will follow the Minister of Government Services (Mr. Ashe) on his next tour around the world and choose the proper bird.

The bottom line for me is that I have seen a prostitution of the process so regularly as to offend me. I am not prepared to accept this bill this afternoon, because it is clear that it is part of a plot to delude the people of Ontario that there are no real problems to be dealt with and that the Legislature of Ontario has nothing better to do this afternoon than to debate which bird will be chosen as the bird for Ontario.

I choose not to be a part of that conspiracy. I am not suggesting it is a communist plot or anything of that nature, but I am suggesting it is an inappropriate time for us to be choosing this particular bird. I find the blue jay is the wrong bird in any case and whether or not the Legislature chooses to send the bill to committee and conduct further deliberations on the choice of bird, that decision would be a useless one.

I cannot support the bill. I apologize to the member for Hastings-Peterborough, who has put before us his priority this afternoon. It is his right to pick that priority. I do wish, though, that other matters had been put on our agenda.

Mr. Speaker: Does any other member wish to partake in this debate? The member for Cambridge.

Mr. Barlow: Mr. Speaker, I will defer to my colleague who introduced the bill.

Mr. Speaker: There is a total of 11 minutes left. The honourable member has indicated to me he wants to use six of those 11.

Mr. Barlow: I will take a few minutes to comment on this avian emblem bill and exercise my support for my colleague's proposal of the bill. The member for Hastings-Peterborough has already stated, as others have, why the blue jay would be a suitable emblem for this province.

Probably there should be some recognition given to the meaning behind symbols and emblems of many sorts in any jurisdiction. We have a provincial flag, a symbol of this province. We have a national flag. We all recall the debate that took place in the House of Commons when the country wanted to introduce and adopt a national flag. There were some of us—and I certainly remember myself among them—who were not particularly supportive of the choice that was made originally, but I certainly support, and proudly do so, the Canadian flag we have at present.

We have other symbols. The trillium, which has been mentioned, goes back a number of years. That was introduced as the provincial flower. We are all proud of that being our provincial flower. There is a whole range of provincial and federal symbols we should take pride in.

5:40 p.m.

Mr. Haggerty: Tell us what happened with Galt.

Mr. Barlow: Galt? I had great pride in Galt too, when there was a city of Galt.

Mr. Speaker: Address the bill, please.

Mr. Barlow: I am now proud of being a resident of Cambridge. As those of us who have had our names changed for whatever reason have grown to accept it, I accept it.

Most of us agree it is important to have something significant we can grab hold of. We are proud of the flag, the bird and the provincial stone, the amethyst. Down below we have room 151, a committee room, which we call with pride our Amethyst Room. I have on my finger an amethyst stone which I wear with great pride. It happens to be my birthstone.

All of these cultures and backgrounds mean a great deal to all of us. The maple leaf is another symbol of our country. The maple leaf was formally adopted by resolution as the emblem worn by the native-born Canadians during a visit to Toronto by the Prince of Wales, a little bit of history. He later became King Edward VII. At the time of Confederation, Quebec and

Ontario both chose the maple leaf as their provincial leaf and then it became the national emblem of Canada, of which we are all truly proud.

I mentioned the trillium. It was adopted in 1937. My colleague spoke earlier about the trillium. It merits further remarks because the trillium was not adopted with great ease. There was a lot of dissension in the ranks at that time. There was a Liberal member of the House at that time from the great riding of Muskoka whose name was Frank Kelly. He was a Liberal member locally known as the uncrowned king of Muskoka. He expressed fears that if the trillium were legislated as Ontario's official flower, he would have to replace the rose he customarily wore in his buttonhole.

I am pleased to support my colleague in his choice of a provincial bird, one of whom has a nest in my own house. They come back year after year. They stay there. They raise their family each year. I support my colleague.

Mr. Pollock: Mr. Speaker, I would just like to make a few brief comments on some of the speeches that were made here this afternoon.

The member for Renfrew North and also the member for Prescott-Russell made mention of the fact that I was not concerned about agriculture. I certainly am concerned about agriculture. I might just point out to both members that the Ontario government has just announced a program which is going to refund \$90 million back to the farmers of Ontario next year. Because both these gentlemen belong to the same political party, and we are talking about a bird bill, I would just like to throw in a little pun here. Birds of a feather fly together.

The member for Oshawa (Mr. Breaugh) mentioned the colour. I would point out to him that if he ever looked at our Canadian flag there are only two colours there, white and red. White is a rather neutral colour, sometimes called the colour of innocence, but the other colour certainly represents another political party. Red represents the Liberal Party. That is their colour, the same as blue is our party colour.

They also mentioned the Blue Jay ball team. Once again I would refer to our Canadian flag. It has a maple leaf in the centre and I have never heard anyone say that flag alludes to the Toronto Maple Leafs hockey team. Speaking of colour, we also have a shield pin here. This particular shield pin is passed out by the Speaker's office and it contains the colours red, white, green and yellow. It has no blue on it, but I have never

heard any complaints about that from anyone on this side of the House.

The member for Renfrew North said this would not help North Hastings. As I mentioned in my remarks, this blue jay replica was made by Hinterland Handcrafts Ltd. in Bancroft and it is sold all over Ontario. I would be glad to show this to the member if he wants a closer look. That ends my comments.

Mr. Foulds: Mr. Speaker, on a point of order: I think the debate this afternoon missed the essential element in this item. There should have been a Winfield amendment that referred to the seagull.

5:55 p.m.

NUCLEAR ARMS FREE ZONE

The House divided on Mr. Allen's motion of resolution 1, which was negatived on the following vote:

Ayes

Allen, Breaugh, Bryden, Cassidy, Charlton, Cooke, Copps, Cunningham, Di Santo, Eakins, Epp, Foulds, Grande, Haggerty, Johnston, R. F., Laughren, Lupusella, Mackenzie, Martel, McClellan, McEwen, McKessock, Miller, G. I., Newman, Nixon, Peterson, Philip, Rae, Renwick, Roy, Ruprecht, Samis, Stokes, Swart, Sweeney, Van Horne, Wildman, Wrye.

Nays

Andrewes, Ashe, Baetz, Barlow, Bernier, Birch, Boudria, Bradley, Breithaupt, Conway, Cousens, Cureatz, Dean, Drea, Eaton, Edighoffer, Elgie, Elston, Eves, Fish, Gordon, Gregory, Grossman, Harris, Havrot, Hennessy, Johnson, J. M., Jones, Kennedy, Kerr, Kolyn, Lane, Leluk, MacQuarrie, Mancini, McCague, McGuigan, MacQuarrie, Miller, F. S., O'Neil;

Piché, Pollock, Pope, Ramsay, Reid, T. P., Robinson, Rotenberg, Runciman, Ruston, Scrivener, Sheppard, Shymko, Sterling, Stevenson, K. R., Taylor, G. W., Taylor, J. A., Timbrell, Treleaven, Walker, Watson, Wells, Williams, Wiseman, Yakabuski.

Ayes 38; nays 64.

AVIAN EMBLEM ACT

Mr. Speaker: Mr. Pollock has moved second reading of Bill 67.

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

Mr. McClellan: On a point of order, Mr. Speaker: You have not disposed of the bill.

Interjections.

Mr. Speaker: Yes, I did.

Mr. McClellan: No. You did not ask whether it would be ordered before committee of the whole.

Mr. Speaker: Yes. It has to go to committee of the whole.

DIVISION OF TIME

Hon. Mr. Wells: Mr. Speaker, I will make the business statement before we adjourn tonight. However, I would like to draw to your attention that it has been agreed we will divide the time tonight for the concluding debate on Bill 111 as follows: one hour for the official opposition, one hour for the New Democratic Party and 15 minutes for the minister to wind up, with the vote to be called at 10:15 tonight.

The House recessed at 6:01 p.m.

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Hansard

Official Report of Debates

Legislative Assembly of Ontario

Third Session, 32nd Parliament

Thursday, November 24, 1983

Evening Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday, November 24, 1983

The House resumed at 8 p.m.

PUBLIC SECTOR PRICES AND COMPENSATION REVIEW ACT (concluded)

Resuming the adjourned debate on the motion for second reading of Bill 111, An Act to provide for the Review of Prices and Compensation in the Public Sector and for an orderly Transition to the Resumption of full Collective Bargaining.

Mr. Ruston: Mr. Speaker, speaking on Bill 111, An Act to provide for the Review of Prices and Compensation in the Public Sector and for an orderly Transition to the Resumption of full Collective Bargaining—

Mr. McClellan: Orderly transition?

Mr. Ruston: I suppose it is kind of a sham.

The point I want to put across to the members gathered here, the large number who are here, is that, in effect, it is a continuation of the restraint bill. What I intend to try to show to the members is that this government does not know what the word "restraint" is, if one looks back through its record from 1971 under the premiership of the present Premier (Mr. Davis).

Mr. McClellan: Larry Grossman has wall-to-wall carpeting.

Mr. Ruston: To give the members a rough idea and refresh their memories, if we go back to the 1971-72 budgetary transactions, revenue was \$5,340,000,000; expenditures, \$5,965,000,000; and surplus or deficit, \$625 million. One will notice in this book I am quoting from, the Ontario budget of 1976, it is marked there as a surplus or deficit.

The interesting part is how they put a little scam for us. I am not saying anybody misled us, but somebody, in the printing of the document, came to the conclusion that rather than call it a surplus or deficit, because most people understand what that is, he would call it net cash requirements. I am sure some people still have not figured out what that really means. Everybody probably has some net cash requirements at some time or another. I see the member for Oxford (Mr. Treleaven) looking up intelligently and I am sure that—

Mr. Nixon: He is one of the few people who does not have to worry.

Mr. Ruston: He would not have to in his profession, but I am sure he makes recommendations to people and gives them advice on how they should handle their money. It is too bad he was not here in 1971. Perhaps he could have given a little advice to the Premier as to what he should do.

I was riding the elevator down in the Royal York once with Mr. Allan, who was the Treasurer many years ago. It was right after a budget and he had been retired for a few years. He said: "I just cannot stand those kinds of budgets. They are just not my ball game at all."

I think of a candidate for the Conservative Party in Essex South a number of years ago by the name of William Conklin, a great citizen of the community, a lumber businessman, I suppose somewhat similar to the family of the member for Renfrew North (Mr. Conway), who had been in the lumber business. The Conklins, William and prior to that his father David, were in the lumber business for many years, probably 100 years at least over the cycle of the family.

In the 1967 election I think the second telephone call I got the next morning after my successful entry into politics was from Mr. Conklin. He did not live in my riding but he just called to congratulate me on winning. We used to do business together in lumber. I was in the retail hardware business a few years prior to that, in a little competition with him. However, he would stop in on occasions and have a little visit.

He said, "Dick, I want to congratulate you on winning, but there is one thing I wish you would tell those people when you get down there." This was back in 1967, and they were starting to slip a little by that time. He said, "They should pay their way as they go. If we do have a recession, in a recession year it is understandable that you have to prime the pump, and that is the place of government. But for goodness' sake, when they have good years, they should by all means quit running these deficits."

They were only minor then. If we go back to

1967, which he was talking about, around that time there was a deficit of \$119 million; in 1968-69, only \$93 million; in 1969-70, \$150 million; and in 1970-71, \$136 million.

Mr. T. P. Reid: That is when we had Robarts.

Mr. Ruston: That was Robarts. The late Mr. Robarts was classified as the manager.

Mr. T. P. Reid: And Allan Grossman.

Mr. Ruston: I remember a friend of mine who was involved in the party of the chairman of the board for many years and attended his convention. In fact, he attended the convention when Mr. Robarts got the leadership. I think he did not support him on the first ballot, but I am sure he did later.

Mr. Nixon: They usually fall in at the last.

Mr. Ruston: Yes, they want to be with the winner.

Mr. T. P. Reid: The only time they have an annual meeting is when there is a leadership convention.

Mr. Ruston: The interjection helps. As the Speaker will notice, I do not have a prepared speech, so I am not going to be reading unnecessarily, which I am not supposed to do anyway. I would not want the Speaker to reprimand me for reading unnecessarily. If he will pardon me, he will have to accept some of the interjections as we go along. Maybe they will add more to it than what I am really putting in myself.

Mr. Speaker: So long as you keep to the bill.

Mr. Ruston: From the elevation of the Minister of Education in 1970 to the premiership in 1971, we have had a litany of deficit financing so bad that I do not think you could find anything like it in any country in the world.

Mr. McClellan: Not even Bulgaria.

Mr. Ruston: The chairman of the board is the name we gave the late Mr. Robarts. I heard that even before I came to Toronto in 1967. What is the saying of the member for Grey-Bruce (Mr. Sargent)? It is, "Who is minding the store over there?"

Mr. Nixon: Who has got his fingers in the till?

Mr. Ruston: Yes, I have heard that too. I was riding the train one day and one of the members on the train was elected and another fellow on the train was not. The one who was elected had defeated the other fellow, who just happened to be on the train that day. The one who had been elected had a big bandage on one of his fingers and the other fellow said to him, "Did you have

your finger in the till someplace?" He did not. However, that was always a saying used if a politician had his finger wrapped up.

What I want to say in very strong terms is that if we really had a serious chairman of the board over there, if we want to call him that, the Premier, who in the end is responsible—

Interjection.

Mr. Ruston: Sure, he has the Treasurer (Mr. Grossman). I am glad to see the Treasurer here tonight. He is very good at attending. When he is not out doing a little politicking, he stands up—

Hon. Mr. Grossman: I would not have missed it for anything.

Mr. Ruston: It will be hard for him to be a regular attender like his father. We noticed that for many years he was always a faithful attender in the Legislature to see what was going on. It was probably very dull at times, I am sure, as members will notice tonight with my speech. However, I will give credit to the Treasurer that he is one of the better attenders and takes an interest in the whole government, I am sure. Of course, we know he has plans for other things, and we know the Minister of Agriculture and Food (Mr. Timbrell) has too.

Mr. Cunningham: He is not here tonight.

Mr. Ruston: No, he is not here tonight. He has been out. He was in my riding on Tuesday morning. The last time I was at one of his functions a year or so ago he was having this little do put on because he was giving a grant to Primo Tomato Canning Co. He had two tables set up, filled with presidents and treasurers of each Progressive Conservative association riding in the district. They were all there for the luncheon and each one was introduced.

8:10 p.m.

I criticized him for that because there he was handing out a \$1.2-million cheque. Before he handed out the cheque, he had to introduce all these treasurers, vice-presidents, presidents and directors of the four or five PC organizations in the area. I must say I object to that. I do not think that is the place for that when he is handing out the money of the people of Ontario, not the government's money. Lord help us, this government has not got a damned cent, only what it collects from the taxpayers of Ontario.

Anyway, there was a \$625-million deficit in 1971-72 and \$366 million in 1972-73. That was nice, a little better; it went down some. Howev-

er, they keep going up—in 1973-74, \$379 million and in 1974-75, \$546 million.

Mr. T. P. Reid: Of course, because there was an election that year.

Mr. Ruston: Yes, it makes a difference.

Hon. Mr. Grossman: Have you got the federal figures there?

Mr. Ruston: No, I am not in the federal House, Larry. If I was down there, I would have them out; you bet I would.

Hon. Mr. Grossman: I was just checking. I thought Eugene might have shared them with you.

Mr. Ruston: I would have them out because it is the federal government on this side of the border and the federal government on the other side of the border that are causing 75 per cent of the interest rate problems we have and have had for the last three or four years.

Mr. T. P. Reid: And the minister is adding to it.

Mr. Ruston: Exactly; he is adding to it, right on.

Hon. Mr. Grossman: We have \$2 billion and they have \$27 billion.

Mr. Ruston: Mr. Speaker, I must be getting to them because I am getting them upset. That is a good sign. In 1975-76 there was a deficit of \$1 billion and—when most people are at a meeting and start reading off figures and say "one million" or "one billion," they do not pay much attention to whether they are saying an "m" or a "b." That is what has happened over there. They just thought the people would not know the difference.

Just imagine \$1,570 million, more than a \$1-billion increase in one year in the deficit in 1975-76. They call that management by the Tories in Ontario. My God, I would not want to trust them with \$10 to invest. We know what they did with Suncor. I was reading what it cost Ontario just to buy that alone. I was figuring it out and it looked to me as if the government bought that with no capital funds—they were borrowing and had a high deficit. That looked to me to be about as foolish—

Hon. Mr. Grossman: Is this Petrocan you are talking about?

Mr. Ruston:—to be buying that thing, Larry, as it would have been if, when I had four little children and made \$10 a day, I had gone and bought a new Cadillac.

Hon. Mr. Grossman: What section of the bill is this?

Mr. Speaker: Order, please. I would just remind all the members that they must refer to other members by their riding.

Mr. McClellan: The Treasurer really does not have a riding.

Mr. Speaker: The Treasurer really does not have the floor. The member for Essex North does.

Mr. Ruston: That is right, Mr. Speaker. I should call him the honourable Treasurer.

They bought a 25 per cent share in an oil company for \$650 million when the government did not have the money. I think they paid 14 per cent to Suncor for half of it and the other half was borrowed on the market, or whatever it was. They actually gave it to them, but they were borrowing from other places. I just cannot imagine any real Tory businessman in Ontario doing such a thing. No way would you find a Tory businessman doing business that way. Yet over there they call themselves the great business managers.

Mr. Rotenberg: How about Trudeau buying Petrocan?

Mr. Ruston: What is that squeaking from over there in Downsview—no, not Downsview—it must be the member for Wilson Heights (Mr. Rotenberg). I think he must have a cold or something. I heard a squeak over there.

Mr. Speaker: Order.

Mr. Ruston: I will try not to be interrupted. To go on, in 1976-77 there was another \$1,319-million deficit. In 1977-78 it was \$1,762 million. That is really unbelievable. I do not think that half of the people of Ontario realize the kind of financing these people on the other side of the House have run this province down to in the last 10 years. That is why I am speaking on this tonight.

We would not need restraint if they had used their beans over there for the last 10 years on how to finance things. If they had used any kind of common sense, they would not need any restraint because we would have had it under control all the time, not like those fellows over there. I wouldn't want to run my hardware store or my farm the way those fellows do.

In 1978-79 the deficit was \$1.18 billion.

Hon. Mr. Grossman: What was it the next year?

Mr. Ruston: I think if we went into the details, we would find the next year is really low, \$584

million; which is still over a half a billion, which is not peanuts. Sometimes one can kind of cook the books to suit the end of the year; one can kind of work that out.

Hon. Mr. Grossman: Gee, I am glad I asked that question. It dropped in half.

Mr. Ruston: I am sure the minister wants to know about the next year when it went up to \$801 million. Of course, he would want me to tell everybody about 1981-82 when the deficit was \$1,503 million, but I suppose he would not want to mention 1982-83 when it was \$2,548 million.

Really, what this says is that we have had complete irresponsibility in fiscal management by the government of this province for the last 10 years. Because of the position they have got themselves into now, they have raised taxes in the last two years. In November 1981 the tax was 6.3 cents per litre of regular gasoline; in November 1983 it is 7.9 cents. The members can see how much of an increase that means; and they can put that into gallons, which some Tories seem to want to use all the time; and I suppose that is okay if they so desire. I will be interested to see what Mr. Mulroney will do, if he should get elected, with some of the Tories who want the metric system changed in Ottawa.

Another increase, which I am sure everybody would like to know about, was the cigarette tax of 1981. In November 1981 the tax was 30 cents a package and now it is 52 cents. That is the increase in two years. They do not bother with five per cent or six per cent, or six and five; they put it up 30 or 40 per cent a year.

They are now finding out that the economy cannot stand these terrific high taxes they have been putting on over the years. Certainly one needs some kind of restraint, when one puts oneself in that kind of position.

Another is the liquor tax. The distillery receives \$2.37 and \$11 goes to governments of all kinds. I think the provincial government gets about \$6.50 of that \$11.

The same is true with regard to Ontario Hydro with its high borrowing that has put us in a very precarious position financially. I had a friend say one day: "You shouldn't call it Ontario Hydro; you should call Ontario Hydra."

One day when I was here, one of the pages brought me a dictionary from behind your chair, Mr. Speaker, and I looked up the meaning of the word "hydra." It means: "The fabulous many-headed snake of the marshes of Lerna, whose heads grew again as fast as they were cut off; at length killed by Hercules. An

evil resembling the Lernaean hydra . . . Any terrific serpent or reptile . . . A water-snake." The key thing is, one can cut the head off as many times as one wants but it still grows back on.

It looks like that is what Ontario Hydro has done. They have put the province in an unbearable position with their mammoth borrowing, which is now \$19 billion. It is my understanding that when people pay their hydro bills in Ontario now about 40 cents goes towards paying off the debt and only 60 cents goes to operations. They have really put themselves in a difficult position.

8:20 p.m.

I was talking to a gentleman last night, the mayor of Essex, who had been on a visit to his relatives over in Holland during the past month or two. I was asking him how things were there and he said, "Quite frankly, I guess they are as bad as here or worse, because they are now facing terrible cutbacks in their public service and so forth as a result of high deficits and their inability to collect more tax from the taxpayers because they have been taxed so heavily in the past."

In our education system we now have people who are directors of education throughout the province—there are about 100 but I checked on a couple in my own area—whose salary ranges are higher than that of the Treasurer. I have a great deal of respect for the Treasurer and the Minister of Education (Miss Stephenson), but when they are hiring directors of education all over Ontario in higher brackets even than the chief financial officer of the province, I think somebody has got a little out of line some place.

I am sure the Treasurer has a difficult job compared to that of any director of education. The directors of education have their superintendents and their assistant superintendents. I have great respect for the people who do that work. However, they are limited to small areas; they are in counties, cities and so forth. The Treasurer has the responsibility of the whole province and a budget of \$25 billion a year. It seems to me that if he were paid according to his staff and management, the Treasurer would have to be making \$100 million a year or more compared to the other fellows.

The administrative setup in education was established wholly by the present Premier to make a modern education system where every board of education had to have a director of education. When a director is put at that high a level, all those under him come within a few dollars. Then everybody is at the top and there

are not too many at the bottom, except the teachers. The new teachers certainly are. The administration is taking a lot of money out of the system.

We can understand why we need some kind of restraint, but the restraint this bill gives is really passing it on to the municipalities and the boards of education to try to do their best to negotiate. It is hoped the people who work for the municipalities and school boards will negotiate in good faith, and the municipalities as well, but they are going to be limited. They know they are only going to get a five per cent increase from the government, so it is not going to be easy.

I wanted to draw these things to the Treasurer's attention. This government caused the problem it has by fiscal irresponsibility over 10 years and now it has come home to roost. However, I do not think we have much choice but to go along with and vote for this fiscal restraint at this time because of the terrible mess they have put the province in financially.

Mr. Swart: Mr. Speaker, as a person who has some responsibility in this party for consumer prices and as one who has some real personal interest in it, I want to say a few words on this bill. If I were to pick a text for my comments, it would be the heading of the article written by Orland French on November 9, the day after the minister tabled the bill and made his introductory comments: "It Is All Smoke, Mirrors."

In no part of the bill is this more true than in the prices review section. I remind this House that the main reason given by the government for this bill, and for Bill 179 last year, was to fight inflation. Last year it was called the Inflation Restraint Act. In introducing Bill 111 this year, the Treasurer stated: "There is evidence to suggest that inflationary expectations may again be on the rise . . . We could lose all we have regained . . . As a government we are prepared to meet our obligation by establishing reasonable and responsible levels for public sector wage and price increases."

Let me also remind this assembly that the word "inflation" has become the pseudonym for the rise in prices of goods and services in our province and in our nation. Therefore, I say, regardless of inputs related to the final price, the main emphasis on inflation control must be knowing and bringing pressure to bear on that final price.

Further, let me remind members of Jack Biddell's comments, which were quoted several times in this House last year. They were from an

article written by him in 1980 in which he commented on the inadequacies of the federal Inflation Restraint Board. He said: "Simply put, high inflation is a continuing, unacceptable rate of increase and the prices we have to pay for the goods and services we consume. To contain inflation effectively, we must slow down the rate at which prices are increasing. We must control prices." He went on with several other paragraphs in the same vein.

In the light of those comments, let us look at Bill 111 and at what the Treasurer further said in his introductory comments of November 8: "Further, firms that are either insulated from normal competition or protected by tariffs have a special obligation to avoid the temptation to pass the buck of easy and expedient settlements on to the rest of the economy . . . We will continue our course of public sector wage and price restraint for one more year."

This party contended, and it was borne out by the bill itself, that Bill 179 was a wage restraint bill and that its control of prices would be negligible. However, there was within the bill the power for the government to roll back or to stop unwarranted price increases in a very limited sector of the administered prices.

The Toronto Star pointed out on November 7, the day before the bill was tabled, that the bill had been effective in controlling wages but had done nothing with regard to prices. It said: "The Ontario government's policy of restraining wages and prices has succeeded in holding down only the wages of more than 660,000 public sector workers . . . But The Star has found that provincially regulated prices have risen more than five per cent. For example, Hydro rates for more than three million customers will jump 7.8 per cent next year. This year the increase was 8.4 per cent. GO Transit fares rose in July by seven to 13 per cent, depending on the distance . . . A new licence sticker for a four-cylinder car costs \$48 today, compared to \$30 last year."

I pointed out in this House earlier this spring that the amount of provincial revenue collected from automobile licences this year was 50 per cent higher than last year. Anybody who wants to do an examination of what has taken place will realize the restraint bill last year only affected wages and did not affect prices. Of course, the prices section was not used, but it could have had some deterrent effect.

8:30 p.m.

Keeping in mind what the Treasurer has said, that we will continue our course of public sector wage and price restraint for one more year, let

us look at the prices section of Bill 179, which is part II in the new bill as compared with part III in the old bill. Most of it is basically the same. There is a definition of "administered price." There is the monitoring of administered prices. If the minister feels a price is unreasonable, he can refer it to the board; then the board can report back to the minister and the minister can report to the cabinet.

Up to that point, it is exactly the same. But last year there was another section, section 29. It said, "Notwithstanding any other act, the Lieutenant Governor in Council on the recommendation of the minister may by order (a) disallow a price increase in whole or in part; (b) where appropriate, substitute a price increase for the price increase disallowed under clause (a); (c) delay the effective date of a price increase" and so on. That section is not in the new bill.

The minister has pulled all the teeth from the watchdog. I say to him, this bill is a joke. It is smoke and mirrors. The government cannot do anything about prices even if it wants to. When I raise price issues with the Minister of Consumer and Commercial Relations (Mr. Elgie) over and over again and ask him to investigate exorbitant prices, he says, "We do not have the power to roll back prices."

Under Bill 179, they had the power to roll back certain prices and they did not use it, and now they have taken it out of the bill. The new bill is totally gutless with regard to doing anything about unreasonable increases in prices. The minister will probably say, "Of course, this year we do not exercise any direct control over wages either; so we are treating wages and prices the same." That is a lot of nonsense, because the minister stated himself that he was going to control wages by the amount of transfer. There is no mechanism whatsoever left within this bill to control prices in this province.

His rejection of any price control at all, of making any intervention in prices, is further demonstrated by the total rejection of doing anything about prices by eliminating section 33 of Bill 179. That is the section in which the government was to monitor prices in this province. It said, "The board shall (a) monitor the pattern of changes in prices and wages in the private sector of the economy of Ontario generally and report its findings to the minister from time to time as required by the minister . . ."

That section is also eliminated from this bill. Here we have a bill, which the minister reiterates is designed to fight inflation—that is, the

increase of prices of goods and services—and the government eliminates even the monitoring of prices generally. The government does not even want to know what is happening with prices. I say to the minister, the bill is a total fraud in that it does not give consumers any protection whatsoever on prices.

Does the minister not think there is something grossly unfair about ordering hospital and nursing home workers, making somewhere between \$13,000 and \$17,000 annually, and some of them less than that, to pay back up to \$1,000 from their wages? Yet companies can increase prices at will, as Consumers' Gas did in the previous year and the year before that, with a profit increase in 1981 of 35 per cent and last year of 20 per cent. If it had not been for two organizations, the New Democratic Party and the Consumers Fight Back group, this year Consumers' Gas prices would have increased again unreasonably. This government did not intervene in any way to encourage the Ontario Energy Board to stop that price increase.

Does the minister not think it is unfair that companies processing the farmers' produce should continue to make higher profits? The Quaker Oats Co., for instance, this year increased its profits; let me quote from its annual statement for its fiscal year 1983:

"Net sales increased to \$190.2 million, while net income before extraordinary items improved to \$7.5 million, up 26.3 per cent from fiscal year 1982." On the next page of that financial report, it says: "Over the last five years, Quaker's net sales and net income before extraordinary items have grown to a compounded annual rate of 10.5 per cent and 23.1 per cent respectively."

The compounded improvement in its profits for the last five years is 23.1 per cent, while the government orders the hospital and nursing home workers to pay back a portion of their meagre wages.

In case members think that is an isolated item, I would like to quote from a report of General Mills Canada Inc. It says: "Record net earnings of \$12 million before any extraordinary items are \$2.5 million greater than the previous year, a gain of 26 per cent, and as a result of continued progress on all operating divisions and higher interest income, the increased earnings coupled with improved asset and cash flow management resulted in a further positive contribution to our position."

"The longer-term trend is similarly encouraging. Over the last five years sales revenues have grown to a compound annual rate of 10.6 per

cent, with net earnings growing at a compound rate of 32 per cent."

The Quaker Oats Co. in Peterborough, the Speaker's home city, this year lowered the price of oats—they get high-quality oats; they demand high-quality oats—but they reduced the price to the farmer from \$200 a ton last year to \$150 a ton this year. I will not take time to read them, but I have the prices of the retail products of General Mills and the Quaker Oats companies. There has been a general, ongoing, rapid increase in those prices.

What kind of society do we have when we permit this sort of thing? We do not even want to know it, let alone intervene. Yet we pass legislation to hold down the wages of the lower-paid groups in our society.

If we wanted to pick another example of one group being permitted to escalate its profits immensely at the cost of the consumers, and business generally, it would be that of the banks of this nation. I know this province does not have control, at least not totally, over the profits which the banks make, but the banks are quite satisfied with the existing system.

Net bank profits in this nation in 1977 were \$732 million; in 1978, \$976 million; in 1979, \$1.105 billion; in 1980, \$1.237 billion; and in 1981, \$1.71 billion. Then the impoverished banks last year had a drop way down to \$1.512 billion; it was only the second highest in their history up to that time. This year they are able to recoup it, and they are going to make profits in the neighbourhood of \$1.85 billion this year.

In a humane society, a society where we believe in equality, there would be measures taken by government to see that there was some fair sharing of the load of a recession in this province—one does not load it on to the backs of the workers—so that it caused the banks and some of these profitable corporations to pay their share, to carry part of the load.

There are many reasons we cannot support this bill. They have been covered well by other members of this party in their speeches. This bill restricts the freedoms and civil rights of the workers of this province, particularly the public workers. It is an injustice to one sector of the economy, the public employees. It does not deal with the economic problems. It does not solve the economic problems. In many respects, it makes them worse. It does not even fight inflation.

I just want to conclude by saying that if the fight against inflation is the goal, instead of Bill 111 we should have a fair prices commission.

We should have a public advocacy agency. We should have an insurance rating board. Most of all, we should have a government that cares about consumers.

8:40 p.m.

Mr. Haggerty: Mr. Speaker, I want to follow my colleague from Welland-Thorold. I thought perhaps he would be really thumping tonight with reference to the big guns that were down in his area on Wednesday, November 16, in Welland. There was an article in the *Guardian Express* about it, though I would not want to quote the story.

Mr. Swart: Quote the headline.

Mr. Haggerty: It says, "PCs Laugh Off Our Problems."

Mr. Bradley: That is a good headline; very accurate.

Mr. Haggerty: That is right.

It says the Progressive Conservative Party, instead of offering Welland wisdom, had wine and jokes that night and had nothing to offer some of the areas to resolve the problems that are facing Ontario and the many persons who are unemployed. If I were to quote some of the language in there, Mr. Speaker, you would rule me out of order. However, I will pass that on to you so you can smile and laugh about it as you read it.

Mr. Speaker: Now to the bill.

Mr. Haggerty: Now to the bill, yes.

I am delighted to speak on Bill 111, the Public Sector Prices and Compensation Review Act, 1983. The 1982 bill read, "Ontario brings in wage and price restraints and a five per cent limit on public sector settlements." So there is very little change, except, I hope, a phasing out of the wage restraint program in Ontario.

I spoke on the restraint bill last year and my topic was concern about the banking industry in Canada, particularly the huge profits that were made. I was often brought to order by the Speaker telling me I was out of order.

If we are going to have any restraint program, we have to include all sectors of the economy. By rights, it is at the federal level, but I thought perhaps when the top ministers of this province were addressing this matter with the federal ministers and ministers from all provinces across Canada, interest rates should have been one of their top priorities. I have seen so many people who have lost their homes because of high interest rates.

If anybody is still banking money today, they

do not have the gold account of a couple of years ago when one received a good portion of return on investment, one might say, in the gold savings accounts in the banks. Today, it is down to about seven per cent interest on savings, but borrowing money is as expensive as it was two years ago.

One area that I thought this government would be taken to task about is the banks. Somebody must be speaking out against them and their huge profits. My colleague the member for Welland-Thorold (Mr. Swart) went into the size of the profits they make. I read in an article recently that bank profits would be up 40 per cent this year.

I spoke with some reservations about the bill last year and I still have reservations about it this year. I draw to members' attention that something has to be done by this government to take the leadership role, as it claims it does in many other areas. With the federal government, and their partners from other provinces from coast to coast, they must go after the Bank of Canada and have that spread between the interest rates on savings and loans reduced. At one time it was around 1.5 per cent. Today it runs anywhere from six or seven per cent to 10 and 11 per cent. If the government wants to have a restraint program and bring reasonable stability into our economic programs, then it must tackle the area of the banks and the profits they are making.

It is great to say this government and the federal government can take credit. They all take credit now because the inflation rate is down considerably, from more than 12 per cent to less than five per cent today. To accomplish that, it had to be done in an adverse way. It had to be done on the backs of those persons who were unemployed. They stand up here and say, "Yes, I will take credit for bringing it down; but to bring the inflation rate down one has to slow down the economy." When one does that, it means jobs are going to be lost.

I appreciate the Treasurer bringing in this bill today, although it still has the inequities that were in the previous bill. It does give the government, the people of this province, the unions and employed persons an opportunity to phase out a program and to bring in new areas of— I would not say restraint—new areas of policy with priorities to see that the same thing does not happen as occurred after the 1976 wage and price restraints that affected every sector of the economy. After that it was a catch-up; "I have to catch up on what I have lost."

I was amazed at the Treasurer saying that this year the doctors will be caught under the restraint program. Last year it did not apply to them. As my colleagues the member for Haldimand-Norfolk (Mr. G. I. Miller) and the member for Brant-Oxford-Norfolk (Mr. Nixon) indicated, the doctors are going to be brought in; but not at a five per cent increase, it is going to be eight per cent.

Although the restraint program was in effect last year, we saw the increase in the ad valorem tax on gasoline, an increase in Ontario health insurance plan premiums and hydro rates. It is interesting that a number of members speak about Ontario Hydro. I have something here I should read into the record, Ontario Hydro Quarterly Update. This is the second quarter and I received it on October 11, 1983.

It says: "Commentary to Financial Statements. Financial Results: Ontario Hydro's net income for the first six months of 1983 was \$266 million, an increase of \$105 million over the corresponding period for 1982. Revenues totalled \$1,867 million, up \$109 million over 1982. Primary revenues increased \$114 million, mainly due to an 8.4 per cent average increase in power rates partially offset by a one per cent decrease in the volume of sales."

We can see here that even Ontario Hydro is following the same principle as this government. I suppose if one can call it leadership, they increased the areas of taxes on many things. I have mentioned OHIP, hydro rates, ad valorem tax, personal income tax.

Yet when one looks at the restraint program the government has, one wonders if there is any restraint program. Revenues have increased considerably in Ontario through the tax increases and yet there has been no reduction in the areas of deficit spending. The province continues to spend and spend.

Perhaps one of my colleagues can bring it to my attention if I am wrong, but I think 1970 was the last year this province had a surplus. It was under different leadership, under the late Premier John Robarts. There was a Premier who understood economic problems in Ontario and fiscal restraint policies. From 1970 to 1983, we have seen the deficit increase year by year. This year it is estimated to be over \$3 billion.

8:50 p.m.

I threw an interjection to the Treasurer about Darcy McKeough, the former Treasurer of Ontario. It is too bad Darcy is not over there now. If anybody brought Hydro under control, it was Darcy McKeough. I believe it was 1976

when he withdrew some \$500 million Hydro was seeking. That set them back a little. That was when the select committee on Hydro affairs was established. I believe it was 1976 or 1975. That committee did an excellent job in bringing Hydro under some measure of control, but lately Hydro is getting out of hand again. It has often been discussed in this House that perhaps we should establish that committee again.

I think the Treasurer in his wisdom should be doing that. That committee could perhaps assist him in bringing about some fiscal constraint programs in his ministry and have some control over the money that is being spent.

I have some difficulty in following the principle of the new bill. It does say we are going to have a form of arbitration now that is going to deal with areas of grievances against wages and other areas at the bargaining table. Perhaps that may give some merit to the bill, but the point I am concerned about is in part II of the bill.

The explanatory notes say: "In part II of the bill, procedures are established for the review, on the basis of criteria to be provided by the Minister of Consumer and Commercial relations, of prices, fees and charges established, regulated, required or recommended by public agencies or public regulatory agencies in Ontario. The minister is authorized, where he considers it necessary, to report to the Lieutenant Governor in Council instances in which these 'administered prices' are increased contrary to the criteria provided by the minister."

I do not think he has indicated to the House what criteria we are looking at. It is difficult to draw the intent of this bill without having that criteria tabled.

Hon. Mr. Grossman: Five per cent.

Mr. Haggerty: That is interesting. Five per cent and that applies across all government agencies and municipalities. It is difficult for many of the municipalities to stick within that five per cent increase. There are other areas besides wages that have to be considered in dealing with local municipalities.

I will cite one example. I raised a question with the Solicitor General (Mr. G. W. Taylor) and I have a letter here just received recently from the Mutual Aid Fire Services Association. Here is one area where I think the province is going to have to share in some of the cost. It is the regional municipality of Niagara Mutual Aid Fire Services Association. It says:

Resolution:

"Submitted by the regional municipality of Niagara Mutual Aid Fire Services Association.

Subject: implementation of regulations respecting protective equipment for firefighters.

"Whereas the Minister of Labour has already served notice that the specifications of the Ontario code for head protection of firefighters be mandatory effective June 1, 1983; and

"Whereas the province of Ontario is considering more regulations under the Occupational Health and Safety Act respecting protective equipment to be used by firefighters; and

"Whereas the proposed regulations, if approved, will require new equipment for face and foot protection, turnout coats and turnout pants and respiratory equipment and other protective equipment, and

"Whereas the cost of implementing the proposed regulations will require all municipalities, not only in Niagara but across the province of Ontario, to expend considerable funds for new equipment by 1985,

"Therefore, be it resolved that the province of Ontario and the minister, the Solicitor General, be petitioned to assist municipalities with the financial burden for the cost of changeover to the equipment proposed under the new regulations."

I would bring to the attention of the Treasurer this is one area that is going to cost the municipality a considerable amount of money. I think in my area in the Erie riding, in particular the town of Fort Erie, the city of Port Colborne and the township of Wainfleet, there are 10 or 11 firehalls with all the equipment. As to the particular equipment and special gear for the firefighters, I can just imagine what it is going to cost per man to meet the required safety standards. It is going to cost a considerable amount.

There are perhaps 60 to 70 volunteers in almost every municipality. In some cases there may be more than that, but the average would probably be about 60. I do not know where the municipalities are going to dig up the money to pay for the safety equipment for firefighters, who provide one of the best emergency services that can be found in any body of special services in Ontario.

That is one area. I have seen areas where, in certain municipalities—I think the town of Fort Erie—they have had to increase their water rates to local industries and commercial areas by 300 per cent. One might say this is another form of taxation where the local persons, the consumers, have to pick up that 300 per cent increase.

There are areas which affect local school

boards, the county school boards or the regional school boards. I know the hardship which was put on to them. They have had to cut back on certain services in providing education. Perhaps it should be improved in that area.

Again, I suggest that many of the school boards and municipalities are really being hurt by this. They really cannot supply the needed services without going above that five per cent. If they go above the five per cent, it means the local taxpayer will have to pick up that extra cost. The cost now to the taxpayers in the area is unfair; inequity is there.

I concur with the phasing out of the restraint program. I am pleased it has taken two years and that perhaps this bill will be winding down. Hopefully, there are other measures. I do not know what kind of measures could be applied after the bill is wound down next October. I suggest that some place along the line this government is going to have to provide additional leadership in this area so that we do not have the same thing—the surge, that catch-up—that occurred after the last restraint program in 1975-76.

I know that many unions today have backed off on wage increases and other things which they have gained over the years at the bargaining table, such as pensions and other fringe benefits, if it can be put that way. However, I think the fault is with this government and all the governments, and even perhaps the unions and those persons who went to the bargaining table.

Not too long ago, back in the early 1960s, I found that in industry they had what they called a cost of living allowance formula based upon the consumer price index. The feeling at the union meetings at that time was, "I do not care if the inflation rate goes up because I am protected." I can see it being withdrawn in many areas now because of the decline in the inflation rate, so perhaps there is no need to have the COLA formula there.

However, I do suggest this is one of the areas which has caused the inflationary rise in Ontario and in Canada as a whole. I think much of that is started by governments themselves. I suppose it is done to keep peace among the employees of government agencies. This is one area which I think has caused much of the problem. Although some say I should not be talking about the COLA formula because it should remain there, I think it is one of the areas which has caused the difficulties we are in.

The other area is the continued increase in

the cost of borrowing money. When I started out, I said that I had seen many families who had lost their homes because of the high interest rates. In many cases today, people who are buying homes are still paying 18 to 22 per cent interest on their mortgages.

I suggest to the minister that this government must show some leadership in discussions with the ministers in the other provinces and with the federal minister responsible for policy in this area. I concur that we should have a phasing out of the restraint program and I am delighted to see that the minister has brought it forward. I do have reservations about it. As I said, everybody can take credit for the drop in inflationary rate, but it has been done on the backs of those persons who are unemployed.

9 p.m.

I would like to see the government go further and come in with some program now to get those persons who are unemployed back working, so that they have a source of income, because in many areas many families have been hurt by it. This government is going to have to move forward with some program to create jobs. Industry is going to have to do something to create jobs, too, because I think it does have a responsibility in this area.

Another concern is that this province has caused problems by borrowing money. It has increased the inflationary trend. This government is going to have to take some consideration about borrowing money. It cannot continue to borrow the way it has done. It has increased taxes and still has borrowed beyond its means. That is a cause of inflation. The new Treasurer is going to have to look after that.

I suppose I have to support the bill because we are phasing out the program. On that basis I hope the minister has listened to some of my comments.

Mr. Breagh: Mr. Speaker, I rise in opposition to Bill 111. A lot of things have been said in the course of the debate about what this bill does and does not do. I have serious reservations about almost every aspect of the bill.

Let me start with the title of the bill. It strikes me that there is a skill being used here which is rather old, which this government has practised for a long time and which continues, quite frankly, to be reasonably successful for it. The skill is to identify its greatest weakness and then pretend to run straight at that.

Part of the title of this bill is An Act to provide for the Review of Prices. The first order of

business is to call it an Act to provide for the Review of Prices. If there is anything this bill does not do, it is review, control, monitor or do a hell of a lot in any respect about prices. But the skill is to name that as the first priority. As we walk through the bill and go through the clauses that talk about price control, there is very little except a passing eye kept on prices in this legislation.

The bill title also includes Compensation in the Public Sector and an orderly Transition to the Resumption of full Collective Bargaining. If we look at the provisions of this bill, it is not a transition bill; it is a wage restraint bill very much like the one we looked at last year. The details are somewhat different, probably having more to do with recent court decisions than with the current desires of the Treasurer or the government.

The bill is touted to be a transition bill to get us from a restraint period, which is what they had in the title of the bill last year, into a free collective bargaining period, which is what they say will come at some point in the future. I noticed in a story in the Sun this morning that the Treasurer established a little more clearly what he means by this bill. He says it is a voluntary restraint bill, but if it does not work, he will bring in mandatory restraint. That is not much of a choice for people who are working in the public sector or people on school boards and councils who have to deal with that kind of problem.

I looked for some quotes of other people's assessments and I thought it was most interesting to find quotes from those who were in support of the legislation in their analysis of the bill. For example, there is a little government publication called Background, put out by the Ministry of Municipal Affairs and Housing. It quotes an editorial from the Ottawa Citizen of November 10:

"It's not hard to admire the political craft that fashioned the veil of smoke and mirrors that is Ontario's new public sector restraint program. By replacing wage controls with a five per cent guideline, Treasurer Larry Grossman has shifted the onus for enforcing restraint to public sector managers and unions while maintaining the appearance of government action."

This is an editorial from a newspaper which supports the legislation, but it frontlines that—

Hon. Mr. Grossman: What paper is that?

Mr. Breaugh: From the Ottawa Citizen.

Hon. Mr. Grossman: Read the whole article.

Mr. Breaugh: The minister knows if I had four hours, I would be happy to read the whole article to him and anything else he wants read, but in the meantime he can sit there and listen to my 15 minutes.

Hon. Mr. Grossman: Read the good part.

Mr. Breaugh: The minister will probably get a chance to read the good part. I think the amazing thing is that it begins its analysis of the government's program by using the polite term, which is becoming a trend, by saying this is "smoke and mirrors." Where I come from, we do not use that kind of language, but then, Mr. Speaker, you probably would not let me use that kind of vernacular in the House this evening.

It identifies very carefully that what is at work here is a restraint program which is crafted in crass political terms rather nicely, but which has the same effect, perhaps even worse, than last year's restraint program. This government is making municipal councils, school boards and a vast range of agencies and bodies out there, controlling the lives of 680,000 people now, the villains in the piece. The government of Ontario will sit back. It has accomplished virtually what it set out to accomplish last year. It will do it again this year, except it refuses to take the political heat for that. It has transferred that heat on to local boards, agencies and commissions.

There is a measure of—the nicest word I can think of—deceit in this approach because it pretends to be a transitional period and it is not. It pretends that restraint will be exercised in one sense by the government of Ontario because it will hold the line on transfer payments, but then it puts all the accountability on people who are sitting out there on the councils.

I watched the local municipal response to this legislation rather carefully. It will be seen that people in local government positions are saying: "That is it. The province of Ontario is going to limit us to a five per cent increase in grants and that is going to be the restraint program. There is a five per cent limit on settlements." Yet the legislation does not say that. The legislation rather coyly moves around that and says, "You can roll over the five per cent if you want, but you will pick that up locally. You will not get that in grants from the government of Ontario."

The second paragraph I wanted to pick out of this editorial from the Ottawa Citizen kind of hits the nail on the head. It says: "An extension of strict wage and price controls would have inflamed organized labour and made the transition to decontrol that much more difficult. Besides, in light of last month's Ontario Supreme

Court ruling on Ontario's old restraint legislation, there is reason to doubt that similar legislation would have been upheld by the courts." That is probably getting much closer to the truth than anything I have heard the Treasurer say.

They tried a full-tilt restraint program in Ontario last year, got it kicked around in the courts and then decided they would do the political thing this time, and that is not call it a restraint program but put a different face on it and make sure that it will be local boards that take the heat instead of the province. But, in essence, they have done exactly what they did last year, sideways. If there is a purpose to the exercise, it is to avoid a direct confrontation about the honest-to-God's truth as to what the government of Ontario is attempting to do with this legislation.

One other little place I looked for some guidance from people who I thought would probably accept the program in its essence was from the Ontario Hospital Association in the little memo which they put out on November 16. They have done a review of the restraint package and are raising what I think are interesting questions, such as: "What do you mean by total compensation? What do you mean by interpretation of the ability to pay. Just exactly how will this arbitration process work?"

That brings me to the second point I wanted to cover this evening because I think that ability to pay stuff is important. What the government has done is red-flag ability to pay; and it has its number for that, a five per cent limit; and that is exactly the way it would be interpreted and exactly how this thing is going to come out in the long run.

The arbitration process is an interesting one in Ontario's system, because it has been a traditional tool. Although most of us who are advocates of a free collective bargaining system are not great fans of the arbitration process, traditionally in Ontario it has served a noble purpose. Where one is bargaining with a group that one knows cannot resolve differences, there is at least a mechanism to try to do that. There have been breakthroughs; for example, in many parts of rural Ontario, it is often pretty tough for the first little bargaining unit of a local to go in and establish a first contract; very often arbitration can serve a useful purpose there.

Very often arbitration is used in a crass political sense at the local level when nobody wants to take the heat for doing what he knows ought to be done. A local council or school

board will say, "Well, maybe these people deserve this kind of an increase, but it is not going to be this group that gives it to them. We will whip this one off to arbitration somewhere and let some stranger do the right thing, make an arbitration award which is fair and reasonable for all sides." That probably could have been resolved locally, but politically they do not want to do that so they do not do it.

The arbitration process has made several breakthroughs in bargaining for fairness. It probably could not have happened at the local level, or at least it would have been very difficult to do.

9:10 p.m.

I do not want to go on at any great length this evening, but I do want to make some basic points I think are being missed a bit. I know the face of this program is not as cruel and as hard as the face of the program last year, but the net result is exactly the same. I do not think there should be any doubts about that.

The price being paid for this kind of a restraint program is a heavy one. I know a lot of people on municipal councils and school boards who have mixed feelings about this. They have a gut instinct that perhaps a restraint program is not a bad thing, though I sensed at the Association of Municipalities of Ontario meeting I attended this summer that the kind of catchword aura around restraint and the kind of fashionableness of it all has faded. It is not quite the popular thing it was even a year ago.

I think more of them are becoming aware they have been set up as fall guys. They did not have the chance to decide what the restraint program would be, but they are going to be the villains who have to tell their workers exactly what is what in terms of this legislation.

The government is building a history of unfairness in the minds of people who work for municipalities, school boards and all those other agencies. They did it last year with the restraint program and they are doing it again this year with the restraint program. They know what happens when they build up that kind of frustration among workers.

Inevitably, that means a strike at some point. In my view, strikes do not happen over one particular incident and they rarely happen over one particular thing like someone's salary or a benefit package. They happen because workers have been frustrated over a long period. They happen because people are mad. They are not mad over what their wages are going to be this year or what their benefits will be this year.

They get into that frame of mind when they have been repeatedly frustrated in their negotiations. It is a cumulative thing. One of the things I am anticipating through this year and probably into the next year is that this frustration is going to get vented.

The government might have been able to say to people there will be a restraint program for one year, but they are now making it on into two, and in reality longer than that. That frustration has to vent itself. Sadly, I predict they are causing a disruption in the labour force, with municipalities and school boards in particular, that is going to vent itself some time during this year.

We are going to see a lot of activity in contracts going to arbitration when they normally would not do that. I think that is unfortunate. The turmoil that was caused last year and that has been extended this year is all building up out there. That is going to vent itself at some point, and the only possible way I can think of—and it has already been talked about at some of the public sector unions now—will be in strikes of some sort, some disruption to the normal bargaining process.

For those and a number of other reasons, I find this program every bit as distasteful as last year's version of it. I do not care whether it has been politically crafted in a more saleable form. I do not care that they have transferred the responsibility of taking the heat to somebody else.

It seems to me that the end result of this program is almost identical to that of last year's program. They have put an unfair burden on people who represent their municipalities on school boards and local councils. It seems to me that in the process of doing that they have screwed around with the arbitration process and they now have it in what I consider to be an untenable position.

They cannot say to somebody, "Arbitrate a labour dispute, do what is right, do what is fair, but here is the limit." They have made it in such a way—almost an ingenious way, I might add—that there is a limit, but no limit. If that is not traditional Toryism in Ontario, I do not know what is. There is a word that summarizes my feelings about this particular restraint program. It stinks.

Mr. McKessock: Mr. Speaker, I rise to support Bill 111, the restraint bill. I come from a rural area where money has been scarce over the last few years. To see that the rest of the country is called to exercise restraint is an

important part of our economy as far as I am concerned.

I notice, though, that the government is going to leave the responsibility up to the municipalities and school boards to set the tone and the size of the restraint. That, of course, takes the heat off the government, but the municipalities have not got much choice but to hold their increases to five per cent when the government is only going to allow them that much of an increase.

I am glad the Treasurer is here because I wanted to make some comments to him. I notice his picture was in the *Farm and Country*. I am sorry I threw it out today because I wanted to bring it up tonight and—

Hon. Mr. Grossman: The member threw my picture out?

Mr. McKessock: His overalls were dirty, so I threw out the picture. Actually, the Treasurer looks pretty good in coveralls. I really appreciate the fact he did go out and speak to the farmers on their territory and listen to their complaints because I hope he did get—

Mr. McClellan: Where was Dennis Timbrell?

Mr. McKessock: The farmers had been talking to the Minister of Agriculture and Food for some time. I had a group of people come down to meet Mr. Timbrell a week ago. When they left, they said, "Maybe we should be meeting with Mr. Grossman."

I said that might be a good idea and maybe the next time they should do that or they should do that very soon. One group of people that has known what restraint is in the last couple of years is the farmers. If they do not get a payout for 1983 for the beef industry—and I suspect they asked the Treasurer for this—they are going to be in very serious trouble. In fact, they are in serious trouble now.

Does the Treasurer want to hold the beef industry in Ontario or does he want to let it fall to the other provinces which are supporting their beef farmers?

Hon. Mr. Grossman: Do you know I was in your riding last night?

Mr. McKessock: Yes. I heard you were was there. Did you have a good time? I hope you did.

Hon. Mr. Grossman: There were 300 Tories. It was unbelievable.

Mr. McKessock: That is about how many there are. That is true. I am glad they all turned out to see you.

Hon. Mr. Grossman: I heard you had 100 at your dinner.

Mr. McKessock: I would like to get back to the topic of restraint. I am sure the farmers impressed on the Treasurer that Quebec has a program for its farmers, as does the Progressive Conservative government in Saskatchewan and the government in Manitoba. I just received a letter this week from the Wellington county cattlemen who told me they are at least \$500 per head behind these other provinces over the last two and a half years because of the assistance these other provinces have given their farmers.

The other provinces are expanding and we are going broke. It is not a fact that so many have to go out of business, as the Deputy Minister of Agriculture and Food said. If no other provinces were giving support, we would gladly lose our share of the industry, but the fact is the other provinces are supporting their farmers and we are losing the share of the industry for all of Canada. I hope the Treasurer does not want this to happen. I am sure the farmers stressed to him that they would have to have a payout for 1983 or the industry is going to be left in a very sad and depressed state at the end of this time.

Restraint is nothing new to the farmers, so I have no trouble supporting the bill to keep a little restraint on other areas of the economy.

I might also mention to the Treasurer that it has been pointed out to us that Ontario cannot make a payout this year because it would interfere with the federal stabilization plan. This is utter nonsense. I read right in last month's *Cattlemen* magazine that Saskatchewan has already extended its deadline to December 15 for signing up for its own stabilization plan, which means that it is going to be making payments well into the year 1984. We should be doing exactly as they are, having our own program and saving our own farmers until the time the federal plan comes in; then we can drop our own plans.

9:20 p.m.

Ontario's idea is that we do not pay anything; we wait for the feds to do it. All we are doing is giving in to the other provinces and helping them out. They are in no hurry for a federal stabilization plan, because they have their own plans that are doing quite nicely. Their plans probably do much better than the federal plan will.

I am glad to see in this bill that the arbitrators will have to consider the employer's ability to

pay. Arbitrators over the years have been one of the causes of inflation, because they usually award contracts that are much greater than the employer can afford and have added to inflation. Now the bill states they will have to look at the ability of the employer to pay.

I look at the ability of the government to pay the beef farmer for 1983, and it looks pretty sad because—the Treasurer is not paying any attention to me.

Mr. Van Horne: Even if he were looking at you, he would not be paying any attention.

Mr. McKessock: I hope he pays good attention to whatever he got on his boots in the barnyard because—I want to impress this on him—all the beef farmers in Ontario are going to get this year from feeding their cattle is what the Treasurer got on his boots. It is very small pay for the effort, work and cost they have put forth in their industry this year.

If the beef industry and the farming industry as a whole were given greater support by this province, this would help the machinery business and all businesses in small towns to pick up. Perhaps the money put into Massey-Ferguson would then not be lost. As it is, the farmers will not be able to afford those tractors even though they are subsidized by the Ontario government.

Since the Treasurer is not going to listen to any more of my beef problems, I am going to stop.

Hon. Mr. Grossman: I listened to every word, and I will read the Hansard next week.

Mr. McKessock: Okay; we will look for that 1983 payment before the end of the year.

Mr. Rae: Mr. Speaker, my colleagues have spoken, led off by the member for Port Arthur (Mr. Foulds), at some length in this debate about the issues that are of the greatest importance to us with respect to this legislation. I want to focus my remarks, if I may—I would appreciate having the attention of the Treasurer while I do this, since it is one of the few opportunities we have outside question period to attempt to elaborate on an argument with a fellow member of the assembly and to attempt to put some arguments before him that I think are worthy of consideration. They are things the government is going to have to reckon with.

We have been through a very difficult year as a province and as a people. We are in the middle of a recovery that has not yet touched literally hundreds of thousands of our fellow citizens. We are in the middle of a time when government has lost even a modicum of commitment

to social justice in the public sector and when there is very real insecurity in the public sector, as there is in the private sector.

It is with a considerable degree of irony that a great many public sector employees might look back over the speeches of the now Minister of Industry and Trade (Mr. F. S. Miller), who made such a point of saying, not only in this House but also in correspondence with so many workers in the public sector:

"The reason we are introducing this program is precisely so we can protect jobs in the public sector. It is better to have people fully employed in the public sector, perhaps making a little bit less than they might if there was free collective bargaining or freer arbitration, than to have them unemployed."

In other words, they would have to start firing people if they did not bring in the restraint package which they brought in last year.

I think of the Kennedy Lodge nursing home workers, the Ballycliffe Lodge nursing home workers, the Brantwood Manor nursing home workers, the workers at Toronto General Hospital and Toronto East General and Orthopaedic Hospital. Those remarks of the minister's are nothing but a sad travesty.

We have had insecurity in the public sector. We have had people with seven, eight, 10 and 12 years' seniority in the public sector being thrown out on the street by unscrupulous employers and replaced by people working for private subcontractors. We have had this side by side with the kind of restraint program that has worked such an unfairness and hardship on the workers at Sensenbrenner Hospital, the Pine Grove Nursing Home, the Pinewood Court home in northwestern Ontario and Van Daele Manor in Sault Ste. Marie.

I want to say to the Treasurer, if I could have his attention for a moment, that nothing has so ill become him and his government as the soft-shoe routine the workers at Sensenbrenner Hospital have seen from the government of Ontario in the past three weeks.

Mr. Biddell said, "The chickens have come home to roost." Those words are very true. Perhaps in a sense Mr. Biddell did not quite understand. The chickens of restraint have indeed come home to roost—only they have come home to roost on the neck and back of the Treasurer. They have come home to roost in a way that shows, more clearly than anything we could have said in the four months that we debated this legislation last year, the very real unfairness, the brute unfairness, of Bill 179, the

Inflation Restraint Act, which was introduced last year.

If the minister thinks he is going to get this legislation through the House without a full accounting with respect to the workers at Sensenbrenner and those other workers who have been forced to pay back or who are in the middle of being forced to pay back their wages to their employers, then he is sadly mistaken. That is an accounting we fully expect in committee. It is an accounting the workers in those jobs fully expect in committee.

We want to see an arrangement worked out with respect to those workers that will not mean they are going to be earning less next year as a result of having to pay back what they were forced to pay back from last year. I am sure the Treasurer knows exactly what I am saying.

It is extremely important that we recognize these workers have had nothing short of a disgraceful runaround from the government of this province. It is a runaround that has earned no credit for the Treasurer in terms of straightforward dealings with the people of this province and with those workers. They expected better.

They certainly expected more, given the statements he was so quick to make to the press on November 4, although he was not prepared to make them to the House. In fact, he was very careful. He was loath to say to the House on November 4 what he was prepared to do. It was only when he left this place that he suddenly got up the courage, if I may put it that way, or developed a program that was going to produce the salvation of the workers at Sensenbrenner Hospital.

They have now been waiting and waiting and they have heard nothing with respect to any serious program or any serious commitment from the government that would allow them to keep wages they feel they have earned, the hospital feels they have earned and the arbitrator who has set their terms and conditions of employment feels they have earned.

That is the issue that really sticks in the craw for us. That is the issue, I suggest, that is going to cause some real problems when it comes time to deal with this legislation further down the road as it goes through committee and into third reading.

9:30 p.m.

I want to look at what I believe to be the central thrust of this legislation. I guess there are two views one can take. There is the view that has been expressed by members of the

Liberal Party, which is that they are supporting the legislation because they think it is, in their own words, "innocuous," or as has been said by the Leader of the Opposition (Mr. Peterson), who, unless I am mistaken, has not even spoken in this debate, that it does not really signify anything, does not matter, and it deserves the support of the Liberal Party.

That party last year was only too quick to run into the arms of the government the very first day it was announced, and the leader of the Liberal Party supported it without even having read the legislation. He said there was no problem with it. It did not go far enough; that was the only problem. It was not long, hard or wide enough, but otherwise it was good legislation.

It was only after the systematic attack on the legislation that was launched by members of our party that members of the Liberal Party started looking for escape routes. They wanted to put in 196 amendments to the legislation, only they were not allowed to. That is why they voted for it on first, second and third reading: they were so strongly concerned about its constitutionality.

Just as we raised concerns about the constitutionality of the bill last year and proved to be right, despite the refusal of the Attorney General (Mr. McMurtry) to appear before the committee and give an opinion and despite the refusal of the Minister of Labour (Mr. Ramsay) to appear before the committee and give an opinion with respect to its impact on collective bargaining, we stood alone and opposed it.

I make no apology for what we did with respect to Bill 179. If one looks now at what the Treasurer has said about the confidence he has in the collective bargaining system and how they want to make it work, it really does make one laugh when one thinks of what they were prepared to do with respect to collective bargaining last year and the double-edged message we are getting from the Treasurer, which is to say: "Ladies and gentlemen, we have full confidence in the collective bargaining system—only take one step over that line and we are going to go right back into an across-the-board control program." That is the kind of confidence that the Treasurer has in the collective bargaining system: "You make it work our way, you do as we say, or we are going to lose confidence in that system."

That is a demonstration of the danger that is contained in this legislation. It is the straitjacket of the five per cent limitation, it is section 10—which I want to come back to, because I think it is the fundamental problem with the

compensation side of this legislation—it is the complete absence of any consumer protection legislation and any control over administered prices, the problem that was dealt with at some length by my colleague the member for Riverdale (Mr. Renwick) in his remarks on administered prices and by my good friend the member for Welland-Thorold (Mr. Swart).

The member for Welland-Thorold has been such a single-minded ombudsman on behalf of the people of this province with respect to administered prices. He almost single-handedly forced the government and the Ontario Energy Board to deal with the question of the Consumers' Gas increase. He has done a great public service to members of all parties who rely on their natural gas companies for their heat this winter and in terms of his ability to focus attention on what is happening in the price field.

I want to deal for a few minutes with the question of section 10 of the legislation, the section of the bill that says—and I will read it, because I think it deserves to be read:

"Every act or regulation"—that is fairly sweeping—"that requires or permits an issue that arises in collective bargaining by or on behalf of employees to whom this part applies"—and that is virtually every worker in the public sector; literally tens of thousands, hundreds of thousands of people—"to be submitted to or determined by arbitration shall be deemed to include a provision that the arbitrator shall consider the employer's ability to pay in the light of existing provincial fiscal policy."

Some time ago I had an exchange with the Treasurer in which I suggested to him that if a farmer were confronted with a government determined to expropriate his land and the expropriation legislation provided that the arbitrator, in considering what a fair value for that land would be, the farmer would receive the market value and replacement value of the land and everything else, but in making its decision the land compensation tribunal would have to take into account the government's ability to pay.

I suggested to the Treasurer if that were the case in that legislation he would have a revolt on his hands. He would have a revolt in every one of the ridings of these Liberal members from southwestern Ontario who have been so quick and so fast falling over themselves to support the Tories in their major economic bill this year, just as they were last year.

For example, consider an assessment review court and the average home owner of this

province taking a case to the assessment review court with respect to the assessment value on his house if the court dealing with the question of assessments said: "We will reassess your home in terms of what we think it is now worth, because you have urea formaldehyde or something else in it and we will reduce your taxation. But wait a minute, before we reduce your taxation, we are going to have to take into account the municipality's ability to live with that different assessment."

The public has to recognize that we cannot have it both ways in our society. The municipalities, school boards, many of the smaller municipalities, some of those hospitals and nursing home operators, the Ontario Nursing Home Association and all those powerful lobbies that have been putting such pressure on the Tories, on the Liberal Party and on us as well—we have met with them and talked with them about this question of changing the rules of the game of arbitration—have to understand what it is that is offensive about this notion of putting in the province's fiscal policy this so-called phrase "ability to pay." What is wrong with it? It sounds so reasonable; it sounds so plausible; it makes so much sense.

I simply want to set out, in the few minutes that I have, what it is that is wrong with that notion. First, how does the collective bargaining process work? What is arbitration? Arbitration is a process that has been established as a substitute and replacement for collective bargaining.

We have argued in our party that in almost all circumstances it would be far better to allow collective bargaining to work both in the public sector and in the private sector. It would make far more sense to say to nursing home workers, hospital workers and others: "You have the same rights with respect to collective bargaining as people do in the private sector. We have confidence"—if I may use that phrase in its full sense—"in your ability to negotiate and we have confidence in your willingness to negotiate in ways that are reasonable."

It is important to recognize that arbitration is not something that has been adopted or put forward or pushed by our party. Arbitration is something that has developed in the system because the Tory party and the Liberal Party of this province have not had confidence in the collective bargaining system in the public sector. They do not think it should be there.

Whether it is in opposition to the right of teachers to go on strike, which is the view from

time to time of different members of the Liberal and Tory parties—frankly, I do not know what the position of the Liberal Party is today, because I have not kept up with it on that kind of basis, but I do know that historically they have changed their mind at least 12 times on the issue—their resistance to that kind of freedom and ability to bargain collectively has led to an arbitration system in the province which is based quite simply on the premise that an arbitrator has to substitute in a sense for the result that collective bargaining would have reached if collective bargaining had been able to work.

We spent some time arguing last year about the meaning of the term "freedom of association," and we were laughed out of court by the Tories. They said: "You guys do not know what you are talking about. We are not here to talk about rights. The Legislature can do whatever it wants when it comes to rights." The Liberal Party could not make up its mind on the issue with respect to what freedom of association means.

As to the international courts, if I may put it that way, the international covenants of which Canada is a party, the decisions of the International Labour Organization with respect to public sector bargaining and its replacement by arbitration have been clear about the meaning of arbitration, what arbitration is supposed to do and what governments can and cannot do.

I am proud that we have a Supreme Court of this province which has recognized in its three-nil decision that governments cannot simply take away rights to bargain and take away rights to arbitration and put nothing in their place. When they do that, they make a mockery of the meaning of freedom of association.

9:40 p.m.

I suggest also that governments cannot make arbitration an unacceptable alternative to collective bargaining. Governments cannot so confine and restrict arbitration that it is incapable of producing the same result, the fair result, that would be the case if collective bargaining had been allowed to occur.

I again suggest that the government is going to have some legal problems because the International Labour Organization and the covenants to which Canada is a member are very clear about this. The important feature of the Supreme Court decision which was taken with respect to Bill 179 is that the criteria and standards of international law with respect to collective bargaining and arbitration, the kinds

of due process which have to be followed and the kind of latitude which have to be given to this process in order to allow it to work have been incorporated as part of the law of Ontario under the Charter of Rights and Freedoms, which is part of the law of Ontario to which this assembly is subject.

This is why the question is not an academic question; this is why it is not just a question of lawyers arguing in Geneva any longer. It is a question which affects all of us in this assembly. If I may say so, and I am coming to this point immediately, it is also a very immediate political and practical question which faces us.

What is wrong with asking arbitrators to act in the light of existing provincial fiscal policies is that it really means arbitration will no longer have the confidence of literally tens of thousands, if not hundreds of thousands of employees. It really means that those employees are being told by an arbitrator that the law is requiring the arbitrator not to decide their wages on the basis of a comparison of fairness, not to decide their wages on the basis of a comparison with what other workers, say in the nursing home sector or the hospital sector, are making, not to make a decision on the basis of what that arbitrator feels is a legitimate comparison to make in the market place but on the basis of what the government is telling the arbitrator it is willing and prepared to pay.

This basically means what is happening here is that an industrial relations decision, an industrial justice decision, is becoming a political decision, an administrative decision, and the arbitrators are becoming nothing more or less than the enforcers, the apparatchiks for a political process which has been imposed by the party in power.

When that happens, the notice of arbitration as a system in which parties have confidence is destroyed. I suggest that when that happens we are going to get statements such as we got from Mr. Walter, who is the head of the Metropolitan Toronto Police Association. We are going to get feelings from every firefighting association right across this province who are going to say:

"Wait a minute. Either we are treated according to a sense of social justice in this province, either the arbitration system is a system in which we can have a degree of confidence or it is not. If it is not a system in which we can have any confidence, then we refuse to live under that system any longer. We insist on our ability to take collective bargaining action like other workers elsewhere in the private sector."

I suggest that all those members in the Liberal Party and in the Progressive Conservative Party who have been so fast to say, "Here we are. We are defending the taxpayer and we are enforcing the taxpayer's will. We are doing what the taxpayers want us to do. We are responding to that sense of real need out there. We are responding to that sense of fiscal conservatism out there. We are going to get those arbitrators. We are going to haul them into line," think they are actually going to be accomplishing something. However, they are not accomplishing what they think they are accomplishing; they are going to be creating industrial chaos in the public sector.

Mr. Nixon: I do not think the member has been listening to our speeches very well.

Mr. Rae: I do not know. Let me say to the member for Brant-Oxford-Norfolk that I listened very carefully to his speech. I read his speech very carefully. I agree with what he said with respect to the independence of arbitrators, but he should not think for a moment that this is what the bill says. He should not think for a moment that his colleague the Leader of the Opposition is right when he asserts in this House that the phrases about ability to pay and the fiscal responsibilities and the fiscal policies of the provincial government are meaningless.

If they were meaningful, I say to the member for Brant-Oxford-Norfolk, he would not have the overwhelming consensus of arbitrators which exists and which has existed in this province for 15 years with respect to the rejection of ability to pay and with respect to a rejection that arbitrators have to be limited and bound by the overall policies that have been put forward by the provincial government.

That is why I say to the member that I read his speech carefully; I admired it; I agree with him. The only area where he and I disagree is that he thinks this is an innocuous bill which does not do anything and I think it is the beginning of the end of arbitration as it has been known as a consensual process in this province. I say that with no exaggeration.

Mr. Nixon: Okay, that is not unfair.

Mr. Rae: I say that with no exaggeration, that is our difference of opinion.

Mr. Nixon: Desperately trying to make an issue out of nothing.

Mr. Rae: He has a Leader of the Opposition who stated in his normal cavalier fashion—let me say to the former leader of the Liberal Party and now the House leader of Liberal Party, why

would they put this in if it has absolutely no meaning whatsoever?

Mr. Nixon: Window dressing for the rednecks in the back row.

Mr. Speaker: Order. I would point out to the honourable member that this is disintegrating into a debate and I would ask him to—

Mr. Foulds: It is a debate.

Mr. Speaker: Between the two members.

Mr. McClellan: I think you need a vacation.

Mr. Renwick: If you are not careful, this place will turn into a Legislative Assembly.

Mr. Speaker: Just a minute, just hear me out. You are not to address your remarks to anybody other than the chair and direct your remarks completely and totally to the bill. Thank you.

Mr. Rae: Mr. Speaker, God forbid we should have any party political discussion in this assembly. I happen to believe in partisanship and I guess that makes me—

Mr. McClellan: To say nothing of debate.

Mr. Rae: To say nothing of debate. However, be that as it may, I want to say that is the difference between us on this score and the members of the Liberal Party who have spoken.

I think it is important to recognize that the Treasurer of this province, when he was answering questions which I put very directly to him with respect to this question, said it was his view that what arbitrators had always done—if I may summarize his remarks, and I do not think I am being unfair; if I am, I am sure the Treasurer will, in the time that has been allotted him, make it very clear how unfair I have been—he said, “The job of an arbitrator is to basically try to reach a compromise between what the employees are demanding and what the employer can afford to pay.”

That is not the way arbitrators have worked in the public sector for the last 20 years. That is not the way the system has operated and there is a very good reason why it has not operated like that. It has not operated like that because arbitrators have consistently said, “The test that has to be applied, the comparison that has to be made, is between jobs that are being done in the public sector and comparable jobs that are being done in the private sector.”

“There are basic criteria of fairness that have to be satisfied and once those criteria of fairness have been drawn up and once that comparison has been made, once that comparability has been established, it really is not up to the arbitrator to say to the government or the

employees, ‘You are worth \$7.50 an hour, making a market comparison with what other workers are doing next door who are working for the private sector, but because you are working for the government of this province you are going to make only \$6 an hour.’”

Arbitrators have rejected that test and they have rejected it for very good reasons, because they believe it is not their job to act as enforcers for the government of Ontario. They would not have any respect from employees if they simply threw up their hands and said, “You are worth \$7.50. You are a nursing home worker and you are worth \$8.75, but because the nursing home operator here is broke, we are going to pay you only \$5 an hour.”

9:50 p.m.

If I could just quote from one award by arbitrator Innis Christie in February 1981, “Interest arbitrators in the Canadian public sector have apparently universally rejected”—now this is the argument that the Liberal Party of Ontario says is of no significance at all—“the legitimacy of an ‘ability to pay’ argument.”

Mr. Bradley: The enemy is over there.

Mr. Rae: We have enemies all around us. That is one of the disadvantages.

They have not allowed governments as employers to hide behind their own skirts in their role as the source of funds to escape pay increases indicated by the other criteria. This has been so even where, as in the Ontario hospital sector, the employing body and the funding body are legally and formally different. The accepted view is that to allow government underfunding to justify the payment of substandard wages is to ask public sector employees to subsidize the rest of the community.”

I ask the Speaker to consider one other remark made by Kenneth Swan in his article, “The Search for Meaningful Criteria in Interest Arbitration, 1978.” Mr. Swan says this:

“Fairness remains an essentially relative concept, and it therefore depends directly upon the identification of fair comparisons if it is to be meaningful; indeed, all of the generally stated pleas for fairness inevitably come around to a comparability study. It appears to me that all attempts to identify a doctrine of fairness must follow the circle and come back eventually to the doctrine of comparability, if any meaningful results are to be achieved.”

If I could just quote one last time from Mr. Burkett in the award he made at the Wellesley

Hospital in 1977. He is talking about the tradeoff that exists between losing the right to strike and the right to bargain and an arbitration. What he says is:

"Equity demands that those whose collective freedoms have been curtailed be compensated in line with a pattern established by those whom they serve. If the taxpaying public through the Legislature, determines that it requires an uninterrupted service, then it must be prepared to pay those who provide the service, commensurate with community standards."

I want to suggest to the Treasurer that I have no doubt the course he is following is one that is in the immediate and short-term sense politically popular. I have no doubt at all about that. I have no doubt at all that the "strategy" that is being followed by the Liberal Party—if I could elevate what is being done to that level—is in some sense following what they perceive to be a kind of public move.

Just as last year we fought in our party and stood up for the question of rights and we withstood this unholy alliance that took place among 102 or 103 members with respect to Bill 179 because we felt that the rights of workers were important and were not to be trampled upon, just so are we going to be saying on this bill at this time that the rights of the workers in the public sector are again being taken away, although in a different way and in a form that is apparently more benign and more innocuous, to use the words of the House leader of the Liberal Party, more subtle perhaps.

We also feel that what is being done is wrong. Its results are going to be damaging to good industrial relations. They are going to be damaging to industrial peace. They are going to be damaging to industrial harmony. They are going to be damaging to social justice and to social harmony. I do not think any of us in our party could stand in our place and support a policy just because it seemed to be politically expedient in the short term to do so, because that was the wave of a public mood at the time. The government cannot put the workers of this province into a straitjacket and call it justice. The government has done it twice in a row. It was wrong the first time and it is wrong the second time and we are going to fight the government all the way.

Mr. Van Horne: Mr. Speaker, the leader of the third party on more than one occasion in this past hour has indicated that he did not know where our party stood on this issue. It bears

repeating that my leader, before this legislation was brought in or before Bill 179 was brought in or before the Legislature reconvened the second last time around, indicated very clearly what our stance was.

I do not think that when he was calling for restraint there was any question in anybody's mind as to where he or our party stood. Having said that, I will simply repeat that although we support this particular bill, we support it as we did Bill 179, with considerable concern and considerable comment for it being changed.

Mr. Foulds: I thought 179 was not big enough, was not wide enough, was not long enough, was not strong enough.

Mr. Van Horne: Mr. Speaker, I would be pleased if you would ask the member for Port Arthur to shut up.

Mr. Foulds: Oh, Mr. Speaker, I believe that is unparliamentary.

Mr. Speaker: Order, order.

Mr. Van Horne: In the few minutes that I have left, I would like to remind the members of this chamber that the present Treasurer on his inaugural day indicated he was going to do much to change the ways of the government. He was going to involve the citizens of this province, the industrial leaders, the commercial leaders and the labour leaders in debate before he came up with the new budget. He would involve them with the thinking of critical decisions.

I have to remind him and remind this chamber that in 1979 I had the opportunity to present two private members' bills. One dealt with program cost disclosure and another with fiscal planning. In both cases, the government saw fit to throw those pieces of legislation away. Both of them were turned down. Yet a few years later we have a new Treasurer saying the consultative process, the involvement process, is something this province needs.

Let me remind the chamber, too, that its chief spokesperson at that time in 1979, the member for Oriole (Mr. Williams), said as follows: "I only need direct the members to the 1977 budget presented by the then Treasurer, the Honourable Darcy McKeough. At that time it was explicitly stated, in fact it could not have been stated more clearly, that the budget was not designed to deal simply with the immediate 12-month period for which he was immediately accountable. It projected the possible revenue deals that were anticipated over a three-year period, not just a 12-month period to which he was addressing his budget," etc., etc.

Of course, the member for Oriole was trying to make the point in defence of "a balanced budget," to use his words in that same paragraph. Now, not fully four years later, here we have a government saying it must again bring some form of restraint in to one particular sector of this province of ours.

I find it passing strange, with all of the concerns we have today, matched by all of the competence of the government in the mid-1970s that it could handle the economic and fiscal problems of this province, that even today as the various members of this chamber sit through the exercise of estimates for each of the ministries of this government, very seldom do we hear about restraint in the estimates process. It is supposed to be sort of the lifeblood of the running of this province of ours. The estimates are the accounting period, if you will, for the spending and fiscal policy of each ministry of this government.

What do we hear when a minister makes his or her opening statement? We hear grand and general comments with very few specifics relating to restraint. The Treasurer should at this very moment—and I hope he is doing it as he reviews the demands and needs of his various ministers for their budgets for next year—spend a little bit of time asking them where they are reviewing and cutting back in programs.

Where are they cutting back in terms of building? Where are they cutting back in terms of staffing? Where are they cutting back in terms of advertising? Are they continuing to operate on a year add-on budget process, or are they operating or designing their budgets by objective? Are they using, as the member for London South (Mr. Walker) has claimed to have raised to salvation, the zero-base budget process, or are they simply going through the add-on process?

10 p.m.

I realize the minister will be speaking in a moment or two. I did not want the opportunity to pass for me personally without reminding the government of the demands that some of us attempted to put on it a few years ago, that is, to plan its fiscal affairs, to run its budgets and to run the economy of this province in a projected and intelligent way, and not in a Band-Aid way as it so obviously has done over this past few years.

Mr. Speaker: Does any other honourable member wish to participate?

Mr. Nixon: We want to hear the Treasurer.

Mr. Speaker: If not, the Treasurer.

Hon. Mr. Grossman: Thank you, Mr. Speaker.

Mr. Bradley: It looks like a bald spot.

Hon. Mr. Grossman: Where? We had better keep the lights off. Does the member think so?

Mr. Conway: Statesmen get bald.

Hon. Mr. Grossman: Not this one.

Mr. Bradley: Just a wide part.

Hon. Mr. Grossman: I am showing the signs of age. I will be 40 next Friday. That is the problem. Can the members believe it?

Mr. Bradley: Already 40.

Hon. Mr. Grossman: I am going to see how the poll comes out. If it says I should still be 39, I will stick with 39 for a while.

Mr. Speaker, I wanted to make some points, having listened so carefully and intently to the debate on second reading, which I think perhaps in some cases have not been totally understood by those members participating in the debate.

I should emphasize that the bill we have before us is the product of an extensive amount of consultation. That consultation made clear a couple of things to us. First, all the parties involved had a keen sense of awareness of the difficult circumstances our economy is facing. All parties assured us they understood their responsibility and the need for a degree of restraint in the amounts of money they were demanding and the amounts of money they were heretofore willing to pay.

That gave us some encouragement to move back into full collective bargaining in this the second year of public sector wage restraint. The government felt, after looking at the situation carefully, that it would be a mistake to keep on tight controls for yet another year, a position advocated by the official opposition, for that would not only compound the number of inequities that invariably come up during a hard and tight restraint program, but also would have the demands pent up for a second year. It would also create a circumstance where people were coming out of that program into an economy which would probably be stronger and lend itself more to a catch-up mentality than perhaps this year would offer.

If we believe in the collective bargaining system, which we do, we felt we must begin to get out of the program and this was a major step

to take. In so doing, we felt the only responsible thing to do was to have a five per cent transfer payment control mechanism because there are so many people in our society who still have to pay the cost of any public sector wage settlement and so many of those people are either unemployed or are getting wage increases of far less than five per cent.

In addition, the major reason for this legislation and a continuation of public sector wage restraint is the continuing need to fight inflation. We can take some solace from the fact that this month the inflation rate is down to 4.9 per cent, the lowest mark in a long period of time. None the less, the fact is that 4.9 per cent figure is likely to rise as we get into 1984 and trends will be higher through 1984. Most people are predicting that the pull, if anything, is on the upward side of that figure.

If that turns out to be true and Canada once again experiences inflation at the six, seven or eight per cent level, while the American inflation rate is substantially lower than that, then we will be talking about unemployment figures which are far higher than the current intolerable level. That would spell disaster for us.

With that in mind, we selected a figure which reflects not a minimum nor a mandated sum for public sector wage settlements; rather, it is a figure which should be used as an important guide. For those transfer payment recipients, it is a figure that should be kept in mind because it should reflect public sector wage compensation in total.

There is a lot of room for those people who have suggested in the municipalities and school boards that they could have settled last year for less than five per cent; this will be an opportunity for them to do that. Five per cent should not come to be known as an acceptable level of inflation. It is not. We must see settlements in the zero to five per cent range, and we must have inflation coming down below five per cent over the next few years or our economy will be in difficult circumstances.

I should like to talk for a moment about the arbitration circumstance. The arbitration circumstance, as I explained on introduction, is one which introduces for a one-year period two very important concepts. First, that the arbitrators and the parties to an arbitration clearly analyse, assess, understand and set out the actual cost of all parts of a settlement. That seems to be eminently reasonable.

Mr. Cassidy: Once they have begun it won't

be for one year; this is the thin edge of the wedge.

Hon. Mr. Grossman: The member for Ottawa Centre (Mr. Cassidy) and members of his party think there is something wrong if arbitrators, the parties to arbitration and the public which is being asked to pay the price of those arbitrations, if all those parties know the true cost of that settlement. I cannot even begin to endorse that sort of interpretation. I sat here for a long time listening to opposition parties suggesting that openness, full knowledge and complete information provided to the public are appropriate.

Interjections.

Hon. Mr. Grossman: Michael, I can tell where you stand from where you sit.

Mr. Speaker: Would the Treasurer please refer to the members by their ridings and not by their names.

Interjections.

Hon. Mr. Grossman: That is just the point I was going to make. The New Democratic Party reminds me of that. I wish advertently to clarify the record. The NDP wishes to be on record, I presume, as supporting the change this year that requires arbitrators to cost all parts of their awards. That is a welcome addition to—

Mr. McClellan: We did not say that either.

Hon. Mr. Grossman: I see. They sound like the Liberal Party now. They can correct the record. They will have lots of chances. They do not want to do it tonight. They want to think about what they want to do first.

The member for Bellwoods (Mr. McClellan) does remind me they have not objected so far to the costing provisions we have introduced here.

Mr. McClellan: You have demonstrated your incompetence; go home.

Hon. Mr. Grossman: Hold it; I have only seven minutes left.

10:10 p.m.

On the other part of the arbitration, ability to pay seems to me to be an important concept to every wage determination issue. In this climate, when arbitrators are being brought back into the system and we are restoring the traditional wage determination mechanisms—

Mr. Rae: You are not doing that and you know it. You are doing no such thing.

Hon. Mr. Grossman: Of course we are. The members opposite are disappointed that we are. I watched their faces as I read the statement.

They were all ready to bring out all the fire wagons. They were all ready to come at us with everything they had. They were setting up the couches in the hall to ring the bells. They already had the speeches written for the Massey Hall rally. They had it all together and, horror of horrors, the big cause they would have to show their friends at the Ontario Federation of Labour, whom they are losing so quickly, that they really are able to get it together and mount the barricades, the whole cause was gone.

Mr. T. P. Reid: According to certain people, there was not much there to recoup.

Hon. Mr. Grossman: You are right.

Mr. Foulds: Watch it. He's going to kneecap you.

Hon. Mr. Grossman: No. This is not the Liberal Party.

There is a clear part of the arbitration innovations we have brought in this year that—

Interjections.

Mr. McClellan: The Premier is interrupting the Treasurer.

Mr. Speaker: Order.

Hon. Mr. Davis: You are quite right, Mr. Speaker. I apologize. Carry on.

Hon. Mr. Grossman: Anyone on this side can interrupt the Treasurer any time.

Hon. F. S. Miller: And they do.

Hon. Mr. Grossman: And they do; that is right.

The point I wish to make about arbitration is that this is one year during which we think these kinds of innovations, particularly the ability to pay consideration—

Mr. McClellan: Especially for nursing home workers, hospital orderlies and cleaning staff. Don't pay them too much, Larry.

Hon. Mr. Grossman: No. They are arguing ability to pay. The NDP does not think ability to pay should be a factor in these things. We do, particularly this year. What this means is that for this one-year time frame the fiscal policy of Ontario should be a factor. I think that is only responsible. Might I say that the NDP has not taken account of the fact that this provision is in place for one year, in the true spirit of consultation with which we developed this legislation.

Mr. Rae: That is what you said last year.

Hon. Mr. Grossman: And we told the truth. That is exactly what happened.

We are asking labour and management to join with us in reviewing this one-year experience

with ability to pay and the costing mechanism that the NDP supports. My colleague the Minister of Labour (Mr. Ramsay) will have the opportunity to see how it works, to see whether those things are appropriate, to see how it has gone this year; and labour will have a full and complete opportunity to consult with us to see what lies beyond this year. I think this is fair, moderate and flexible in this particular year. The proof of that, of course—

Mr. Foulds: You're standing on your hands on top of your tongue.

Hon. Mr. Grossman: Listen, a week before the legislation was brought in, my friend's leader, the leader of the New Democratic Party, was talking about court challenges and about how outrageous it was that we were going to bring in the bill he thought we were going to bring in. He was fighting it before he saw it. When he saw it, he was in real trouble, because he did not have that bill to fight.

As we wrap up debate on second reading, I want to say that we have come a great distance in terms of introducing fairness and flexibility into a continuation of the restraint program. The New Democratic Party—I want to say this clearly—is raising some proper and appropriate concerns about the arbitration process. I do not happen to agree with their analysis that ability to pay should not be taken into account, particularly during this restraint year. None the less, when the arbitration process is being looked at, studied and analysed, it is important that we have full and complete discussion over those issues.

In fairness, as we move to vote on second reading, may I say to all members of this assembly that in a moderate and responsible way, this government has continued restraint and has made sure it is a program in which every member of our society participates. We have not moved in a way that polarizes our people.

Interjections.

Hon. Mr. Grossman: I know the members of the New Democratic Party are disappointed that we did not polarize the public. That is what the members opposite trade on and that is what they want, but that is not what they are going to get. We do not polarize. We introduce legislation that is responsible but fair.

I have sat here for some time listening to problems and concerns raised about many people caught in the public sector wage restraint program. Now they have an opportunity within the confines of a continuation of the restraint

program to solve their problems, to sort them out themselves. What could be more fair and flexible?

I invite the members of this assembly to peruse the restraint programs across the length and breadth of this country and tell us where they will find a jurisdiction that has been as fiscally responsible as this jurisdiction and where they will find a jurisdiction that has also introduced fairness, flexibility and protection for all those who were asked to participate in the restraint program such as one finds in this province.

Interjections.

Hon. Mr. Grossman: The members of the New Democratic Party knew they were not expecting this. Listening to their speeches, I knew they had to throw away all those old ones and think of something to say tonight.

Mr. McClellan: Your time's running out, Larry. Ten seconds to go.

Some hon. Members: Five, four, three, two, one!

Mr. Speaker: Order.

Hon. Mr. Grossman: Just as I conclude, the member for Rainy River (Mr. T. P. Reid) wants to know when he gets the criteria. The criteria, which will be published in the Ontario Gazette under subsection 4(3), are very simple. The criteria are five per cent. That is what it is, that is the way it will be published and that is what it ought to be. That is all there is.

I urge all members of this assembly to join me in supporting the fair, flexible and sensitive continuing restraint program introduced by this government.

10:29 p.m.

The House divided on Hon. Mr. Grossman's motion for second reading of Bill 111, which was agreed to on the following vote:

Ayes

Andrewes, Ashe, Baetz, Barlow, Bernier, Birch, Boudria, Bradley, Conway, Copps, Cousens, Cunningham, Cureatz, Davis, Dean, Drea, Eakins, Eaton, Edighoffer, Elgie, Elston, Eves, Fish, Gillies, Gordon, Gregory, Grossman, Haggerty, Harris, Havrot, Hennessy, Hodgson, Johnson, J. M., Jones, Kells, Kennedy, Kerr, Kolyan, Lane, Leluk;

MacQuarrie, Mancini, McCague, McEwen, McGuigan, McKessock, McLean, McMurtry, Miller, F. S., Miller, G. I., Newman, Nixon, O'Neil, Piché, Pollock, Pope, Ramsay, Reid, T. P., Robinson, Rotenberg, Roy, Runciman,

Ruprecht, Ruston, Scrivener, Sheppard, Shymko, Stephenson, B. M., Sterling, Stevenson, K. R., Taylor, J. A., Treleaven, Van Horne, Walker, Watson, Wells, Williams, Wiseman, Wrye, Yakabuski.

Nays

Allen, Breaugh, Bryden, Cassidy, Charlton, Cooke, Di Santo, Foulds, Grande, Johnston, R. F., Laughren, Lupusella, Mackenzie, Martel, McClellan, Philip, Rae, Renwick, Samis, Stokes, Swart, Wildman.

Ayes 80; nays 22.

Bill ordered for standing committee on social development.

Hon. Mr. Wells: Mr. Speaker, this bill having now been referred to the standing committee on social development, with the concurrence of the House I would like to revert to motions.

Mr. Speaker: Do we have the concurrence of the House to revert to motions?

Agreed to.

MOTION

BILL 111 SITTINGS

Hon. Mr. Wells moved that the standing committee on social development be instructed to commence its consideration of Bill 111, An Act to provide for the Review of Prices and Compensation in the Public Sector and for an orderly Transition to the Resumption of full Collective Bargaining on Tuesday, November 29, 1983, and that the committee be authorized to meet on the afternoon of Thursday, December 1, 1983.

Motion agreed to.

BUSINESS OF THE HOUSE

Hon. Mr. Wells: Mr. Speaker, I would like to indicate the business of the House for the remainder of this week and next.

Tomorrow morning, we will consider the estimates of the Ministry of Northern Affairs.

On Monday, November 28, in the afternoon and evening, we will consider the estimates of the Treasurer.

On Tuesday, November 29, in the afternoon, we will consider legislation as follows: third reading of Bills 68, 90, 92, 106, 107 and, if it is reported, Bill 97 and any Pr bills on the order paper; then second reading and committee of the whole if required on Bills 118, 128, 95 and 96; and in the evening, Bills 93, 94 and 100.

On Wednesday, November 30, the usual three

committees have permission to meet in the morning.

On Thursday, December 1, in the afternoon, private members' public business in the names of the member for Essex North (Mr. Ruston) and the member for Welland-Thorold (Mr. Swart). In the evening, we will continue any legislation still remaining on the order paper from Tuesday, followed by Bill 113.

On Friday, December 2, we will deal with the estimates of the Treasurer.

Mr. Speaker: Before proceeding, I would like to advise all members that I have been advised that the member for Armourdale (Mr. McCaffrey) has been discharged from hospital and is at home.

Mr. Martel: Mr. Speaker, can I ask for clarification? I did not hear the House leader say Bill 94, the Charities Accounting Amendment Act. Is that included in his list? I thought it was for Tuesday.

Hon. Mr. Wells: I am sorry?

Mr. Martel: Bill 94. I did not hear the minister. I think he said 96, not 94.

Hon. Mr. Wells: Perhaps I missed it. Bills 95 and 96 are in the afternoon on Tuesday, and in the evening, Bills 93, 94 and 100.

Mr. Speaker: Pursuant to standing order 28, the member for Renfrew North has given notice of his dissatisfaction with the answer to his question given by the Premier (Mr. Davis) concerning the conduct of Mr. Alan Gordon.

TENDERING PRACTICES

Mr. Conway: Mr. Speaker, I have a very serious concern and personal upset about the way in which the Premier has handled the very serious questions which we in the opposition have placed about the matters raised in the Provincial Auditor's report about the administration of public funds in the Ministry of Government Services.

This afternoon in this House the Premier indicated, and I quote him directly, "I take some pride in the way this government is administered." My question to the first minister, who left this place moments ago, is how can he take pride in an administration where a parliamentary colleague of his and of ours was sacked and a deputy minister of the government of some 17 years' experience, as we heard in the public accounts committee this morning a deputy minister who has been at a senior level for almost 17 years, continues on his merry way notwithstanding the fact that the Provincial

Auditor for Ontario has indicated that the deputy minister has knowingly and repeatedly spent money in an unauthorized and/or an improper way, often against the strong, known and expressed opposition of the minister responsible?

This afternoon in a scrum outside his office the first minister said, "Oh, it was really nothing more than a difference in recollection." The first minister does a great disservice to the issue and to this Legislature because it is more than that. It is much more than a confusion of recollection.

Somebody is lying to the people of Ontario. I have to believe it is not one of our esteemed parliamentary colleagues, the member for Lanark (Mr. Wiseman), who has said repeatedly today in these precincts that he stands by his story. The deputy minister involved has not only denied his former boss but in the committee this morning he also denied himself, did that deputy minister, who has the most exceptionally personalized view of responsible government I ever heard. I want that deputy minister and his boss the member for Brampton (Mr. Davis) held to account.

In fact, the issue is corruption. It is a fundamental corruption of that basic principle of responsible government. The Premier of this province must accept his responsibility for allowing a deputy minister to continue on his merry way of spending hundreds of thousands of dollars in clear violation of the rules of the Ontario Manual of Administration and of this government. It is more than just that.

A few weeks ago, Canadian Press broke a story about one of the members of the Management Board of this government, the member for London South (Mr. Walker), whose contractual arrangement with his good friends from London, Gwyn Williams and Donald Martyn are well known. The member for London South said at the time, "Despite all those comments about ideally these contracts ought to have been tendered, I did it because we all do it." That is not only the Provincial Secretary for Justice but a member of the Management Board.

It is more than that. Tonight in the Globe and Mail for tomorrow's edition, there is a story indicating that millions of dollars have been let to Camp Associates by the Ministry of Tourism and Recreation in an apparently improper fashion. The report goes on to quote the upcoming auditor's report to suggest there is much too close a relationship to Camp Associates.

Oh yes, Mr. Norm Atkins and Mr. Hugh Segal

et al; much too close a relationship, says tonight's Globe and Mail on reporting the auditor's upcoming report to this assembly, between that advertising agency and the government of Ontario.

Mr. Bradley: Another scam.

Mr. Conway: Another scam, yet another indication that on top of the member for London South, on top of Allan W. Foster and Associates, we now have much more from the very people in Tourism and Recreation who were before the public accounts committee six months ago. The members will remember that. The former assistant deputy minister, the then deputy minister John Laschinger, said: "I would do it again. The auditor and the devil can take the hindmost."

I will say in conclusion this is a rot and a cancer which is spreading within the caucus of

this 40-year-old government. The first minister would do well to take the concerns of this assembly far more seriously, to get on with the business of discovering who is running the ship and who is telling the truth. Let him come to this assembly with a commitment to the people of Lanark, Renfrew and Ontario to set to rest the very serious words and question raised in the auditor's report and in tonight's Globe and Mail.

Mr. Cassidy: Mr. Speaker, on a point of order: Perhaps the member for Lanark would care to reply in the absence of the minister. It is about time the member for Lanark was allowed to speak and to speak fully about the situation, because I think he has been maligned on it and we should hear him in this Legislature.

The House adjourned at 10:43 p.m

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Hansard

Official Report of Debates

Legislative Assembly of Ontario

Third Session, 32nd Parliament
Friday, November 25, 1983

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

Friday, November 25, 1983

The House met at 10 a.m.

Prayers.

Mr. Stokes: It's too bad the Premier (Mr. Davis) missed prayers. He's going to need them. So are the Argos.

Mr. Rae: You're supposed to wear a helmet in this place. Doesn't the Premier know that? He has the wrong hat on.

Mr. Speaker: I must point out to the honourable member that it is not proper to wear a hat in the chamber.

Hon. Mr. Davis: This is not a hat.

Mr. Speaker: Well, whatever.

STATEMENTS BY THE MINISTRY

GREY CUP

Hon. Mr. Davis: Mr. Speaker, I do have a statement, but before I make the statement, I know that some members opposite—I will not say all of them—will join with me in wishing the representatives from central and eastern Canada well in the great national event that will take place in Vancouver on Sunday.

I think it is fair to state that while not everyone is a football fan, there is a great deal of national interest. It is a day when Canadians from many parts of this country do gather together, some to watch football and some to watch football and do other things.

I confess to you, Mr. Speaker, I know the member for Wentworth North (Mr. Cunningham) in particular will be delighted with the fact that I find it necessary to inspect, on behalf of the taxpayers of this province, the excellent transit system that was developed by Canadian technologists, engineers and scientists and that was successful over many other countries in receiving the contract in the city of Vancouver.

I have not been there to inspect that transit system, and over the weekend it would be important for me to do so and to talk to the mayor of that municipality as to just how well it is going. I shall be conducting this inspection, I know, with the support of all members of the House. The fact that it happens to go through BC Place is totally irrelevant and that the inspection tour may take place at 2:30 on

Sunday afternoon is strictly coincidental.

I do know that, with the exception of the member who has challenged me, the former Speaker of this House, a number of members at least will join with me in wishing the representatives from this part of Canada well on Sunday afternoon.

Mr. Van Horne: Find out how many Canadian quarterbacks there are.

Hon. Mr. Davis: I am never averse to the inclusion or involvement in some of the cultural activities of this country of people who may have had their educational upbringing in other jurisdictions. We have always been an open society. I know the member for London North would never wish to preclude the involvement of people from other countries in the wellbeing of—

Interjections.

Hon. Mr. Davis: I would say to the former superintendent of the separate school system in Kitchener-Waterloo that if he wishes to raise the question of fees and tuitions, he will find the fees paid at the university which the Toronto Argonaut attended, in terms of the cost to foreign students from out of state, are probably somewhat in excess of fees charged in Ontario. He might slide down and have a look, but I think he will find that to be the case.

Ms. Copps: What about the referees and linesmen?

Hon. Mr. Davis: The referees. I would say to the member representing a certain area of Hamilton—

Ms. Copps: The true winners of the Grey Cup—the team that really should be there.

Hon. Mr. Davis: That is what Mr. Ballard said too. I know the member for Hamilton Centre wants to agree with Mr. Ballard. If she has some question about last week's officiating, she is geographically much closer to the official who made the call than I am.

This symbolic button I am wearing has a bit of historical significance. It was given to me last evening by a very delightful young lady whose father wore this back in 1952, which was the last time the Argonauts were successful

in the Grey Cup. It is not a recent button.
On a more serious note—

Mr. Peterson: Mr. Speaker, I hope you will allow us to join in expressing our good wishes to the Argos, representing Toronto, Ontario and eastern Canada. I hope the Premier, by attending, does not provide a jinx for the Argos. If he takes some of his recent fortunes with him, it may prove not so well.

I am also grateful that the Premier is not going to be the announcer at the Grey Cup. If he were, it would go on for about three days and no one would know who won at the end of it. As the Premier flies out to represent our great province in his executive water bomber, I hope he has a nice weekend.

Mr. Rae: Mr. Speaker, we are not going to allow the Tory party to make of the Argos yet another political monopoly for itself. I notice with interest that the Premier did not come into the question period with his helmet on. Like many others, I have a feeling he has been playing question period without a helmet for too long a time. I notice he has his baseball cap on. I hope he has the decency to wear a football helmet when he is inside the domed stadium in Vancouver. He is going there representing all the members of the Legislature with, I suppose, one or two exceptions who may have placed bets on the other side.

Hon. Mr. Davis: Yes, I can name you the ones who did.

Mr. Rae: I know it too, because I have placed those bets myself—for the Argos, of course. The Premier is representing all the members of the Legislature and all the people of Ontario in this great east-west contest. Please give our best wishes to Pat Kinsella, who has done so much for the industrial peace of British Columbia. The Premier has done a terrific job in sending those people out there. Give them our very warmest regards.

Hon. Mr. Davis: Mr. Speaker, I thank the opposition leaders for their enthusiastic endorsement. The member for Hamilton Centre did not quite share in that measure of enthusiasm. This is not a football helmet; it is a hat worn by the coaches of the Toronto Argonauts. It is strictly coincidental that the colours of the team representing eastern Canada, Ontario, happen to be blue, two shades of blue. I do not want members to think there is a plot.

I agree with the Leader of the Opposition (Mr. Peterson) that it is not my intent to give the

play-by-play. If I did, it would be totally accurate; the listeners would understand it. It might take a little longer than some play-by-play announcers but, come Monday or Tuesday, they would know who won the game.

Mr. Bradley: They would know who won the game only if the Argos won.

Hon. Mr. Davis: Yes, that is probably true. If by some chance the Argonauts did not win and I were announcing, it might be several weeks before the listeners found out.

Mr. Peterson: How long does it take to take a poll on the outcome of the football game?

Hon. Mr. Davis: I have already taken a poll on the outcome of the football game and it is totally conclusive.

10:10 a.m.

ANNIVERSARY OF MULTICULTURALISM AND CITIZENSHIP COUNCIL

Hon. Mr. Davis: On a more serious note, it is a matter of record that the government of Ontario has long supported the preservation of our multicultural heritage. In developing policies and programs to meet these needs, we have taken account of the cultural diversity of Ontario's population. As a province, we have fully accepted the responsibilities that come with being the chosen destination of the majority of newcomers to Canada since the end of the Second World War.

For many years, the province's education system, our social service and health care network and the courts have been adjusting policies and programs to meet the needs of a changing population. As is well known, Ontario continues to welcome people from across the world, many of whom are seeking the freedoms that form such an important part of this province's heritage. The province, in turn, has benefited from the skills, the energy and the commitment to Canada demonstrated by members of ethnocultural groups who have chosen Ontario as their home and as the foundation for the future of their children.

More than a decade has passed since the Heritage Ontario Congress, reflecting the deliberations of its 1,500 participants, recommended the formation of an advisory agency to continue the consultative process. In our view, the Ontario Advisory Council on Multiculturalism and Citizenship is essential to government implementation of the principle of full and equal citizenship

for all our citizens. The establishment of such an agency formed an important part of this government's official response to the Heritage Ontario Congress discussions.

In rising to recognize the 10th anniversary of the council and to acknowledge the presence here today of some of its members, I wish to emphasize the continuing commitment of this government to the principles of multiculturalism and to the concept of citizenship that provides the basis for Ontario's multicultural policy. This policy, which has been clearly enunciated and which is continuing to be implemented across the government, focuses on three themes: equality, access and participation, cultural retention and sharing. These are the issues that have been reflected in the council's deliberations since its establishment in 1973.

It is significant that the agency has succeeded in achieving consensus from the diversity of culture, race, religion, language and heritage represented by its membership from across the province. Its concern for our ethnocultural minorities has been balanced by consistent support for the historic rights of Franco-Ontarians and of our native people.

This province can be proud of the way in which the vast majority of people in the province have supported this government's positive response to the challenge of our changing population during the past decade.

As we set out together on the next stage of Ontario's development, the government and the people of this province share the firm commitment to further advance the goal of equality of treatment for all with respect for the languages, values, faiths and cultures which are part of our diverse heritage—the many ways of being Canadian.

The government welcomes the participation of all Ontarians in the development of public policy and recognizes that the input provided by those who contribute their time and ideas to agencies such as the Ontario Advisory Council on Multiculturalism and Citizenship will serve to strengthen the determination of the government of Ontario to continue to show leadership in building a society in which differences can be accommodated within the framework of a shared Canadian identity.

ORAL QUESTIONS

TENDERING PRACTICES

Mr. Conway: Mr. Speaker, I have a question for the first minister. How can he honestly

expect honourable members in this House to accept his explanation tendered in question period yesterday that he "had not discussed the matters of public accounts yesterday with any of the participants," and that he had only "a 30-second discussion" about same, when we now know from published reports that Mr. Alan Gordon was coached on three different occasions by the Premier's deputy minister, Dr. E. E. Stewart, and that when Alan Gordon stormed out of the public accounts committee meeting yesterday refusing to answer press questions, he ran directly to Dr. Stewart in the Premier's office?

Mr. Speaker: Question, please.

Mr. Conway: How can the Premier honestly expect reasonable and honourable members to accept the kind of answer he tendered yesterday, when the activities of Mr. Gordon link him very directly to the senior mandarin in the Premier's own office?

Hon. Mr. Davis: Mr. Speaker, I am glad to hear the member use the term "honourable members." Let us assume that means that one takes what is said as being the best, most factual and most truthful observations one can make.

I am very pleased that he says "published reports." I will just give him my own timetable for yesterday. My recollection is that a policy and priorities board was meeting most of yesterday morning. I think it is fair to state that by the time it had concluded, the deputy minister in my office had left for a luncheon appointment, although I am not entirely sure of that.

I am quite sure, however, that I did not discuss the matter of the public accounts committee meeting with the deputy minister in my office before question period yesterday. That may come as a great surprise to the member.

I also had a very brief word with my deputy minister. In spite of "published reports," there were not three such meetings. Mr. Gordon was not, using the term the member used, "coached" by the deputy minister in my office. It is just factually incorrect.

Honourable members can either accept my word on that or not. It just happens to be the truth.

Mr. Conway: Is the first minister denying categorically that Alan Gordon and Dr. E. E. Stewart met to discuss the four issues in the Ministry of Government Services that were under investigation by the Provincial Auditor?

Is he categorically denying that Dr. E. E. Stewart met with Mr. Gordon to discuss these

matters? Is he telling this House that Mr. Gordon did not go to the Premier's office yesterday afternoon to meet with senior people in his office? Is he denying that absolutely?

Hon. Mr. Davis: I know now the honourable member is trying to explain that he has read a particular article, and I am not quarrelling with what people write. In his question, he is not alleging but quoting a newspaper report which I quite honestly have not read but have had relayed to me in capsule form. I sense the thrust of the newspaper article was that Mr. Gordon had been "coached"—was that the terminology used in the article? I think that is the word the member used—by Dr. Stewart on three separate occasions.

This is what is relevant. I think I said to the member that I had not discussed this matter with my deputy minister prior to the deliberations in the House here yesterday at two o'clock. I will not deny for a moment that Mr. Gordon came to see Dr. Stewart after the discussions in the public accounts committee meeting. There is no question about that whatsoever.

I think the question the member asked me was whether or not Dr. Stewart had "coached" Mr. Gordon on three separate occasions. The answer to that is no. Did I have consultations with Dr. Stewart relevant to the discussions in public accounts before the question period yesterday? The answer to that is no. Did Mr. Gordon come and talk to Dr. Stewart after his appearance at public accounts yesterday? The answer to that is yes.

10:20 a.m.

Mr. Rae: The Premier made reference to the fact that one of the premises of this House is that we are obliged to take the word of every honourable member who speaks in the House, or indeed outside the House, with respect to his activity. There is now a direct contradiction between the statements that have been made by one of his colleagues, a member of his party, a former colleague of his in the cabinet with respect to foreknowledge of certain contracts, statements that were made by the minister and statements that were made by the deputy minister.

What does the Premier intend to do to clear up that direct contradiction of evidence? I would suggest to the Premier that he has a certain responsibility in the matter. We are talking about a former colleague of the Premier, we are talking of events that occurred when the member for Lanark (Mr. Wiseman) was a minister in the cabinet.

What does the Premier intend to do to clear up what appears to be a very direct conflict in terms of what actually transpired, what actually happened, and accounts of those transactions which have been given both to the media and to the public accounts committee, by the minister in terms of going to the media and by the deputy minister to the public accounts committee?

Hon. Mr. Davis: As I attempted to say to the press yesterday, I think there are two separate but related situations. I think the origins of the reference to the public accounts committee really related to whether or not the procedures or the activities of the Ministry of Government Services were consistent with government management policies.

I think I am right in this, in historical terms, that there were four areas the public accounts committee asked the Provincial Auditor or the minister to look at. My understanding is that the Provincial Auditor has commented on those four situations. I am not passing any judgement, but I think the feeling is that the auditor has said there is no problem in two cases out of the four. I may be wrong but I think, generally speaking, there is some question with respect to a third and perhaps a greater question with respect to a fourth.

Once again, this breaks down into other issues and one is whether or not it conformed to or was part of a policy management process, whether or not the judgements made by the ministry, in this case the deputy minister, were in fact in the public interest.

I think the public accounts committee in its assessment, in its objective look at this, will pay some attention to whether the decisions made were totally consistent with, say, Management Board approval and whether or not the motivation generally was to have greater efficiency or greater productivity within the ministry.

I sense from all of the discussions there is no question of impropriety in terms of questions of integrity or matters of that nature. I see the chairman of the public accounts committee nodding his head.

So, within the public accounts committee, it is really down to a discussion as to whether proper judgement was used, whether it was in the best interests of the functioning of the ministry and whether or not those decisions were consistent with the general management procedures of government in one issue. I hope Mr. Carman's appearance before public accounts may clarify, to a greater extent, those considerations.

As a separate concern of mine but related to this, there is no question either about the view apparently expressed by the deputy that his then minister was aware of one or two of these situations where the former minister says that to his recollection he was not. I think that is something the public accounts committee may wish to address, or in its wisdom it may wish not to address, when the other issues are settled.

Mr. Philip: How can we, when you people stifle it?

Hon. Mr. Davis: With great respect, that is a concern with which I will have to deal.

Mr. Conway: Accepting absolutely what the Premier has suggested about what we as honourable members must do with respect to the statements of fellow parliamentarians, and keeping in mind our good friend the member for Lanark, how can the first minister not only continue to stand behind a deputy minister who clearly overrode the responsible minister at the time, but also continue to defend that deputy minister and allow taxpayers' money to be spent for the hiring of counsel to advise him on his rights about the public accounts hearing of yesterday?

How can he tolerate and defend a deputy minister who has, as of yesterday, called one of our parliamentary colleagues, the member for Lanark, a liar? How can he tolerate and defend this kind of senior civil servant in the light of what he has just told us about our fellow parliamentarians?

Hon. Mr. Davis: I know the member is frustrated that he was not able to elicit from me something other than the truth as it related to the activities of my deputy minister. I now know what he said about him in committee. I know that he has a thing about a very able and dedicated public servant in this province, my deputy minister. I know that for some personal reason he does not like him very much. Perhaps the member is a shade jealous; I do not know what it is. However, I feel very badly that he wishes to attack Dr. Stewart in this fashion, as the member is doing.

Mr. Peterson: You are being silly. That is nonsense.

Hon. Mr. Davis: It is not nonsense; it is true. The member knows it is true.

Mr. Speaker: Never mind the interjections, please.

Mr. Conway: Mr. Speaker, on a point of privilege: Very briefly in that connection, I am

reminded only of the Premier's own words, "Only one person speaks for me and that is Ed Stewart." This is my interest in Ed Stewart.

Mr. Speaker: Order. That is hardly a point of privilege.

Mr. McClellan: What about attributing motives?

Mr. Speaker: If we just reflect on what was said earlier, I think perhaps it would behoove all of us to control ourselves.

Mr. Peterson: Mr. Speaker, I ask you, what happened a minute ago in this House when the Premier said my colleague personally disliked his deputy minister, he said he was jealous, or something else, if that is not an attribution of motive then I do not know what is. Surely you have an obligation as the presiding officer to ask the Premier to withdraw that.

Mr. Speaker: He may or may not. How am I to judge?

Ms. Copps: That is your job. That is why you are here.

Mr. Speaker: Order. With all respect—

Hon. Mr. Davis: Mr. Speaker, just so that this will not be prolonged, if the member for Renfrew North thinks by my suggesting that in his discussions yesterday at the public accounts committee meetings and things he has observed in the House and out of the House, he is not particularly fond of the deputy minister in my office, I am attributing any motivation, I am not. If he does not feel that way, I am delighted to withdraw. However, I find some of the things he has said about Dr. Stewart to be somewhat consistent with that point of view. That is all I am saying.

Ms. Copps: Mr. Speaker, on a point of privilege: Has the first minister withdrawn or has he not withdrawn?

Mr. Speaker: I heard him say that he withdrew.

GOVERNMENT ADVERTISING

Mr. Bradley: Mr. Speaker, I have a question for the Minister of Tourism and Recreation concerning the auditor's report which has been reported in the *Globe and Mail*. It says, "The auditor's report recommends that the government should re-evaluate its financial arrangements with a Tory-dominated advertising firm which does millions of dollars of business with the province"—a reference to Camp Associates Advertising Ltd., which has had a good deal of business with this government.

"The report says that the advertising firm is

subcontracting work from other suppliers, earning cash discounts for prompt payment of the accounts and keeping the discounts." In view of the fact that the auditor's report says, "While these discounts were taken by the agency it did not pass these savings along but rather billed the gross amount of the invoice to the ministry," in view of these matters, which seem to concern the auditor very much, could the minister give an undertaking to, first, re-evaluate the relationship of his ministry with this firm as the auditor has recommended and, second, table those contracts in the House so that all members may be aware of just what is going on in this ministry in relation to the activities between Camp Associates and yet another ministry of this government?

10:30 a.m.

Hon. Mr. Baetz: Mr. Speaker, I am very pleased to shed some light on the report that was carried in the *Globe and Mail* yesterday. I have a statement to make in the House this morning. It is now being prepared and I want copies to be sent to the leaders of the opposition parties.

With your indulgence, Mr. Speaker, if I could wait for a few more minutes, I will ask the indulgence of the House to revert to statements and then I think we can begin to cover many of the points that have been raised here at this time.

Mr. Bradley: I am prepared to stand the question down until the statement comes. What is the minister's wish?

Mr. Conway: I will take the second question, Mr. Speaker, with your permission.

Mr. Speaker: To the same minister?

Mr. Conway: No, a new question, in the light of the fact that we will now revert to statements and have a private member's question on that item.

Mr. Speaker: It is a second question, really.

Mr. Conway: With all due respect, we are quite prepared to give the honourable minister the right to revert to statements, if we are allowed then to have a private member's question. We are not prepared to surrender one of the two leader's questions if there is not agreement in that connection.

Mr. Speaker: I think we must all understand that we ask questions in rotation, as covered by the standing orders.

Mr. Conway: We do understand that.

Mr. Speaker: Just a moment. The member for St. Catharines did address a question to the

minister, and then he asked that it be stood down. He will get that question again after the statement.

Mr. Wrye: It would be nice if we had a copy of the statement.

Mr. Speaker: Order. I have no knowledge of that either. Rather than interfere with the rotation, we will come back to the original questioner at the time the statement is made. In the sequence of rotation we should now recognize the New Democratic Party, unless the honourable member has a supplementary.

Mr. Bradley: I have a supplementary then, because we are not prepared to withdraw at this time unless we get that undertaking.

In answer to a question from the member for Wentworth North (Mr. Cunningham) about these kinds of contracts with this particular company during the estimates of the then Ministry of Industry and Tourism on October 31, 1975, the then minister, the member for Ottawa South (Mr. Bennett), said the following: "They are paid to do this work, really, by the source in which they are placing the advertising. In other words, if we spend \$1 we get \$1 worth of advertising. If they get 15 per cent, which is usually the maximum percentage paid to an advertising agency in this country, it comes off the bill or the linage charged by a publication."

There was no mention of a two per cent discount and no mention of being able to keep that two per cent discount. Is the minister satisfied that he is following the same practice enunciated by one of his predecessors?

Hon. Mr. Baetz: As I indicated in my first response, this point will be covered in the statement. After the statement, if I still have not adequately answered the question, I will be prepared to reply to it at that point. I really think the best way to proceed would be to wait for my statement in a few minutes.

Mr. Bradley: Mr. Speaker, on a point of privilege: Surely the minister would have been aware as late as last night of this particular news report and would have been prepared to answer questions on this. Why is the minister now not prepared to do so?

Mr. Speaker: That sounds like a question rather than a point of privilege.

Mr. Rae: Mr. Speaker, can the minister explain to our satisfaction, or to his own satisfaction, the process whereby—I think we are all at somewhat of a disadvantage because we do not have the copy of the auditor's report and I do not think the members of the Liberal Party

have a copy of the auditor's report either. They have a copy of a report?

Hon. Mr. Davis: Neither did the Globe.

Mr. Speaker: Never mind the interjection.

Mr. Rae: None of us has a copy of it. Nevertheless, we do have an account in the Globe and Mail this morning with respect to the procedures. I would like to ask the minister to comment on a statement that is attributed to Mr. Atkins. He says it is up to him and his firm, "It's at our discretion whether we take the discount or not." Would the minister be prepared to say if this is the practice that is followed by all the other agencies with which the government deals? If so, does he think it is a fair practice?

Hon. Mr. Baetz: Mr. Speaker, at the risk of appearing to be inflexible, I want to stress again that these questions are covered in detail in the statement. I still feel that once I have given the statement, if I still have not given all the answers the members are seeking, I will be prepared to answer the questions. That is really a much more effective, efficient and time-saving way to go at this problem. I am as anxious as the members are to get the correct information out in the open.

Mr. Cunningham: Mr. Speaker, it is true that we do not have a copy of the auditor's report, but one thing we do know for sure is that Camp Associates and Messrs. Segal and Atkins and Foster Advertising, with Mr. Tom Scott, have been vital aspects of the Big Blue Machine advertising in at least the last three Progressive Conservative election campaigns. They are first and second in line at the public trough in the context of advertising.

When is the minister going to take it upon himself to pull the plug on these self-appointed Tory ad agencies and see that we have open public tendering in Ontario so that we get value for money spent and end this cosy relationship between the Tories and Camp and Foster?

Hon. Mr. Baetz: Mr. Speaker, for the fourth time, I must tell this House these questions will be answered. In the interim, I can assure the honourable member that the taxpayers of this province are getting full value for the dollar in working with this agency.

TENDERING PRACTICES

Mr. Rae: Mr. Speaker, my question is to the Premier, and it touches on the supplementary I put to him on the basis of the questions that were posed by the member for Renfrew North

(Mr. Conway). The question is quite simple and straightforward. The Tory members of the committee yesterday objected when it was suggested that the member for Lanark (Mr. Wiseman) should be allowed to come forward and at least present to the public accounts committee his version of what took place in August and what took place prior to August with respect to those contracts.

Specifically, what opportunity does the Premier intend to give to the member for Lanark to state his version of what has taken place with respect to the tendering of those contracts and with respect to his knowledge of the tendering of those contracts? Since he has not been given an opportunity at the public accounts committee and since his evidence has been directly contradicted by his deputy minister, precisely what opportunity does the Premier intend to afford the member to come forward and give his version of what took place?

Hon. Mr. Davis: Mr. Speaker, I understand the member for Lanark yesterday indicated to the press that his recollection was consistent with what he said in August. I am not disputing that.

Mr. Rae: That is exactly the problem. We have two pieces of evidence from very senior people, a deputy minister and a minister, which directly and flatly contradict each other with respect to what knowledge a minister had with respect to the tendering of contracts.

The question I have for the Premier is, whose word does he take? Does he take the word of the deputy minister or does he take the word of his colleague from Lanark? He cannot take both. Which one does the Premier believe?

Hon. Mr. Davis: At this precise moment I am not taking both. I said to the member for Renfrew North that I thought there were two concerns, one of which the public accounts committee is dealing with in a very direct fashion. The related concern that emerged yesterday, as to the recollections of the deputy which appear to be inconsistent with the recollections of the former minister, is a concern for me.

10:40 a.m.

Mr. Conway: Mr. Speaker, accepting as we must, the word of our parliamentary colleague the member for Lanark, how can the Premier continue to defend a senior deputy minister who has been severely reprimanded by the Provincial Auditor and who has, by implication if not by explication—and in my view both—called

the member for Lanark a liar? How can he continue to defend and support a deputy minister so reprimanded by the auditor, who now adds to the earlier concern about who is running the store the far more grievous matter of having called one of our parliamentary colleagues a liar about extremely important facts relevant to departmental administration?

Hon. Mr. Davis: Mr. Speaker, with great respect, I have not seen the transcript. I would very seriously doubt whether the deputy minister called anyone a liar.

Ms. Copps: By implication.

Mr. Speaker: Order.

Mr. Rae: The Premier has in his usual elliptical way said that the question of the contradiction of evidence is something which has to be of concern to him. He is nodding his head. I take that to mean he agrees that that is what he said. I think there would be no question in this House that all of us agree that it is a concern to him, and that is why we are putting the questions to him.

What does the Premier intend to do about it, given the fact that he has contradictions in evidence. Is he going to accept the evidence of the member for Lanark or is he going to accept the evidence of the deputy minister.

Hon. Mr. Davis: I do not like the word "evidence." I do not purport to be judge and jury. I deal with these matters and have over the years. Usually, they have worked out. I just say to the honourable member it is a concern for me. I know he has a particular point of view, which I would like to think is not in any way personally motivated. I am not sure that is—

Mr. Rae: I don't even know these guys.

Hon. Mr. Davis: As I say, I am sure it is not.

Mr. Speaker: Order.

Hon. Mr. Davis: The member might benefit from getting to know these guys.

Mr. T. P. Reid: Will the Premier read the transcript?

Hon. Mr. Davis: Yes.

Mr. Rae: I know what they look like, but that is as far as it goes. I do not play football with them.

Hon. Mr. Davis: Neither do I.

Mr. Speaker: Question please.

Mr. Rae: Mr. Speaker, with your permission and the permission of the other members, I would like to stand down my second question

until we have the benefit of the statement by the Minister of Tourism and Recreation (Mr. Baetz).

Mr. Conway: Mr. Speaker, I have a new question to the first minister, also on the matter of who is running the store and on the matter of untendered government contracts.

The Premier will recall about four or five weeks ago the Canadian Press broke a story about the letting of untendered contracts by the member for London South (Mr. Walker)—now a prominent member of Management Board, I might add—to two very good friends of his, two good Tories from London, Gwyn Williams and Donald Martyn.

In light of the extraordinary comments made over the past number of weeks by, among others, the Chairman of Management Board (Mr. McCague), the man who we thought was the policeman in this connection, and the new Ministry of Industry and Trade (Mr. F. S. Miller), both of whom have not seen those contracts and have no interest in pursuing them to see whether or not they do meet the specific letter and intent of the Manual of Administration, has the Premier put his eyes upon those specific contracts at issue in that Canadian Press report? Has he yet seen those particular contracts?

On the basis of having seen them, is he now prepared to state categorically that those contracts meet the letter and intent of his much-heralded Manual of Administration? Is he now prepared to table those contracts in this assembly so the people might see and their representatives might judge?

Hon. Mr. Davis: Mr. Speaker, I would like to welcome the member for London Centre (Mr. Peterson) here this morning and wonder whether or not he has given up the leadership of his party.

I will answer the question. I think I answered it some time ago. Once again, not being an expert in these matters, I did observe to the House that I think in this particular situation there were, shall we say, two forms of contract or understanding between the ministry and the two individuals or companies—I do not recall whether they were companies or individuals.

I think I observed, once again not purporting to exercise any professional knowledge, that when it comes to the utilization of services for people who write speeches as one of their prime considerations, in my view, that is not covered by the Manual of Administration. I do not think one goes out and tenders for people who have that sort of relationship with a minister.

As an example, and I do not say this critically, I do not believe his leader went out and tendered for an expert on energy. He knew this gentleman who was with the Vancouver Stock Exchange and had some experience in the field. He became part of the office of the leader of the member. He has got a very fine gentleman, in my view, and I will refer him some day to the article Mr. Hutchinson wrote about the Premier before he became his leader's adviser. My guess is there was no tendering process. He did not put out a tender saying, "I am looking for a qualified" whatever it is.

I am just drawing a very genuine distinction between a contract for a particular delivery of a product or what have you and the obtaining of services from somebody who acts as a speechwriter. Now the member may not agree with that, but I think there is a genuine distinction.

With respect to the other relationship or contract with Mr. Martyn, I said that was not, in my view, in the same sort of category. I think I indicated to this House this matter would be looked into. Initially, I suggested the Chairman of Management Board. It then became the Provincial Auditor, which I think is where it should be and where it is at this moment. That is where I think we will get the answer.

Mr. Conway: On the Donald Martyn contracts worth \$153,000 to stage-manage the openings of the tech centres, no less a person than the Premier's former speechwriter, Les Horswill, now ensconced as an assistant deputy minister in the relevant department, said, "Ideally, the work should have been tendered." That work, said the relevant senior bureaucrat of the relevant department, should have been tendered. That is not my word, not the Premier's word, but the word of the ADM in the Ministry of Industry and Trade.

In view of that statement, will the Premier now reflect upon my first question? Has the Premier himself with his own eyes seen those contracts between Industry and Trade and Donald Martyn and Associates? Has he with his own eyes seen those contracts, (a) to satisfy himself they exist in writing; and (b), that they meet the letter and spirit of his Manual of Administration? Will he now give an undertaking to table those contracts? Let us just cut it in the middle and say the Donald Martyn contracts, if he wants his first point, which I will grant him for the sake of argument and compromise. Will he table the Donald Martyn contracts so spoken of by Les Horswill so that we can see who is right?

Hon. Mr. Davis: Mr. Speaker, I can almost sense in advance where the honourable member would come down as to who is right.

Mr. Horswill did indicate, I gather in press reports—and I have not discussed this with Mr. Horswill—where he said "ideally"—I guess if one uses that terminology "ideally" means a better way would have been to do it in some other fashion—but I do not think that by using the word "ideally," he indicated that what happened was improper. Ideally is the ideal. The member is an idealist some days.

I say to the member this matter is in the hands of the Provincial Auditor. I do not say this to be provocative, but I am reminded on occasion by him and others that when the Provincial Auditor or a committee is seized of a particular situation, that is where it should be. I am not going to be judge and jury per se prior to the Provincial Auditor making his report. I think it would be inconsistent and unfair to do so.

Mr. Conway: But has the Premier seen those contracts?

Mr. Speaker: Order.

Hon. Mr. Davis: No, and I do not—

Mr. Conway: He has not seen them because they do not exist. If the Premier does not want to give the impression of having covered up, why does he not introduce those into this House? Let the people see. Let the people decide.

Mr. Speaker: Order. The member for Renfrew North will please resume his seat.

FAMILY VIOLENCE

Ms. Bryden: Mr. Speaker, I have a question for the Minister of Community and Social Services. This is the first opportunity I have had to welcome him back to the House after his recent illness. Now that he is here, I hope he will enlighten us on what his ministry will be doing to carry out the promises made on November 1 by the acting Minister of Community and Social Services (Mr. McCaffrey) in the government's long delayed response to the social development committee's report on wife battering, which was tabled almost a year ago.

10:50 a.m.

In particular, will he tell us how he is going to spend the \$4 million the acting minister announced for additional services for battered women to be provided by the Ministry of Community and Social Services? Will he tell us over what time this money is to be spent and when payments will go out to those interval houses in financial difficulty? Is any of the money earmarked for

special services for francophone and immigrant women, which was one of the strong recommendations of the committee?

Hon. Mr. Drea: Mr. Speaker, it is rather surprising that a person whose last endeavour with me was pulling a stunt outside my riding office while hiding behind a post would want to welcome me back.

Mr. Van Horne: Was it on Hallowe'en?

Hon. Mr. Drea: No, it was not on Hallowe'en.

Mr. Speaker: Now for the question, please.

Interjections.

Mr. Speaker: Never mind the interjections.

Hon. Mr. Drea: I presume the honourable member has been busy this week and could not read. We opened or at least turned the sod or made the arrangements for a number of houses in northern Ontario which are called family resource centres or places of refuge. We are looking particularly at the per diems, not the actual cost of shelter, but at the part of the per diem that goes to purchase various types of services required not only by the females involved but by their families across Ontario.

I thought the acting minister at the time explained the program quite well. I really do not understand the question. If the member is going to come back to her old saw about why we do not block-fund, the answer now, as it always has been, is we will not do that because it would mean a very substantial erosion of the services and the ability of a transition house, house of refuge, interval house or what have you to provide the services and activities it wants to provide.

Ms. Bryden: In regard to the minister's first comment, it was he who was hiding in his office refusing to meet a delegation seeking funding for day care. There were no day care facilities in his riding at the time.

Mr. Speaker: Question, please.

Interjections.

Mr. Speaker: Order. Now the supplementary of the member for Beaches-Woodbine. I would like to hear her remarks, please.

Ms. Bryden: The acting Minister of Community and Social Services also promised that stabilized funding for shelters would be provided so that the 42 existing and new shelters would be able to operate with an assured cash flow. Will the minister give us a date when the per diem payments will apply to the number of beds available and not only to the beds occupied as at present?

The existing shelters are the ones waiting for the distribution of this \$4 million. The family service centres set up in northern Ontario have nothing to do with the needs of the existing shelters for immediate relief and have nothing to do with those which have deficits or with the changing of the per diem payments so that the shelters have an assured cash flow. The per diems should be based on available beds and not only on occupancy. When can the shelters expect this change in the funding? When can they expect some of this \$4 million to flow out to the interval houses that are in trouble? It would be a nice Christmas present for the minister to put under their tree.

Hon. Mr. Drea: I hardly think I need a suggestion to be Santa Claus from a person who has just written off the needs of very distressed people in northern Ontario. It is not something that concerns her.

We are in the process of looking at the particular needs of various houses in this regard. The one thing the acting minister did stress is that we will not allow any house—and they are not all interval houses—any shelter or any of the programs that offer a specialized service in this area to have to close because of lack of financing. We are looking at the per diems and the means by which we can determine individually what their particular problem is and meet it.

Knowing the honourable member well, she obviously has some specific place in mind. If she does not want to mention it in the House, she can leave me a note. If she wants to get into some very specific details—

Hon. Mr. Elgie: Put it behind the post.

Hon. Mr. Drea: After her one adventure with me when she was caught behind the post, she will never do that again. She does not want to tell why she was hiding behind the post.

Mr. Speaker: Order. Thank you. A final supplementary, the member for Windsor Sandwich.

Mr. Wrye: I am not going to touch the post. Interjections.

Mr. Speaker: Order.

Mr. Wrye: The minister will know that one of the continuing problems in terms of funding and financing for these houses is the victim advocacy component, particularly as it pertains to victim advocacy clinics in London and Windsor. He will know that in both cases those clinics are in dire need of money and may be forced to

close within the next month or month and a half without new funding.

Can the minister indicate when he is prepared to announce new funding for those clinics? When can we expect a statement on this matter in the House so we can alleviate the concerns of the people who work in both of those clinics?

Hon. Mr. Drea: First, we would like to have the federal study. There is a federal study on both of those just about to be completed, as I understand. We would like to have that and then we will see what we will do in the matter.

Ms. Copps: Is that what Gord told you?

Hon. Mr. Drea: Yes, it is what the Provincial Secretary for Justice (Mr. Walker) told me. It happens to be in his area.

TILE DRAINAGE

Mr. Boudria: Mr. Speaker, I have a question for the Minister of Agriculture and Food concerning what has been referred to as his death-bed intention for the people of eastern Ontario. I refer to his announcement last week of an increase of \$209,000 in tile drain loans.

Will the minister now admit that this extra allocation involves no new expenditures but is merely a minor reshuffling of original funds allocated to the tile drain program this year? Would he also admit he has never even established his so-called acreage improvement fund under the Board of Industrial Leadership and Development program, in which his government promised to increase the tile drainage of one million acres of farm land in eastern and northern Ontario?

Would the minister also admit that in the last three years, the five eastern counties of Stormont, Dundas, Glengarry, Prescott and Russell have received less in tile drain allocations than the county of Lambton alone? Is this not an utter disgrace to the people of eastern Ontario? Can he not do better than that? Is it not just plain rhetoric in the middle of a by-election?

Hon. Mr. Timbrell: Mr. Speaker, if the honourable member will take the trouble to examine the facts, he will find that what we have done with 12 townships in eastern Ontario—five of them in Stormont, Dundas and Glengarry; so the other seven are in areas where there is no electoral contest under way—is to meet all the demands and needs that have been identified by those township councils for tile drainage in those municipalities this year.

I anticipate that over the course of the balance of the calendar year we will be making

further readjustments. Each year we take the money available and apportion it where the need is. In some municipalities the needs will be less in one year than they were previously, so the money is freed up and then assigned to another municipality.

That is exactly what we have been doing. We have not been trying to pull the wool over anybody's eyes. Indeed, if the member will go back over the years, he will see there are regular announcements of the reapportionments. This is not at all unusual.

11 a.m.

Mr. Boudria: The minister has done that throughout the whole province but he has only announced it in eastern Ontario. Why? The provincial funding under the tile drainage program is being limited to only 60 per cent of the cost, and the municipalities of eastern Ontario have asked the minister to increase the loans to 75 per cent of the cost. That was the original program and that is what we really wanted in eastern Ontario. Why does the minister not move in that direction and provide meaningful help to the farmers of eastern Ontario before he allows them all to go bankrupt?

Hon. Mr. Timbrell: First, I will match the programs that we provide for the farmers in eastern Ontario or anywhere in the province with anything that the member's party provides out of Ottawa. We have been altogether much more attuned to the needs of the farmers in the province and much more responsive than his party has been in anything it has delivered out of Ottawa for years.

Second, 60 per cent of the value of a project at eight per cent interest is a significant amount of assistance to an individual farmer.

Third, I remind the member that prior to last year some municipalities, including some in eastern Ontario, were providing somewhere in the area of 30 per cent and 40 per cent support. They were spreading the money that thinly. I told them I thought it should be at 60 per cent rather than that.

I do not mind the member playing his little games, which he does all the time—

Mr. Boudria: We are playing little games? Who was out there making these ridiculous announcements?

Mr. Speaker: Order.

Hon. Mr. Timbrell: —but in the course of doing that he should not knock one of the most significant programs that assists farmers in this province every year.

Mr. Swart: Mr. Speaker, why did the minister not increase the global amount instead of taking it away from other municipalities and other farmers in this province?

Mersea township in Essex county was originally allotted \$406,000 this year. On routine inquiries from the tile drainage division, Lynn Foster, the clerk of Mersea, replied in writing on August 18 that they had requests at that time for \$323,200 and that would be the absolute minimum required. Why then on October 9 did the minister cut the allotment to Mersea township to \$246,000 and deprive many farmers of money for tiling which they had been led to believe they would get?

Do they and we not have the right in this House to believe that funds are being manipulated for political purposes? Why does he not do the decent and fair thing and increase the global allotments?

Hon. Mr. Timbrell: Mr. Speaker, I will be glad to look into the matter of that individual township. Our practice in the time I have been in the ministry has been that where demand or need for the money is less than what has been allocated, then we move—

Mr. Swart: You cut them back by almost \$80,000.

Hon. Mr. Timbrell: What the honourable member is saying or alleging is that the need in this municipality has been documented as being greater than what the revised allocation is. I will look into that.

Mr. Swart: You took it away October 9.

Hon. Mr. Timbrell: As I say, I will look into that. However, I will tell the member that because demand does vary—he knows very well how much the economy, as well as the weather, influences drainage work county by county and, in fact, township by township—our policy has been that we reallocate the money in the hope that we can spend the whole budget, realizing that it is needed throughout the whole of the province.

Hon. Mr. Wells: With the agreement of the House, Mr. Speaker, I wonder whether we could revert to statements by the ministry.

Mr. Speaker: Do we have the unanimous consent of the House?

Mr. Conway: On that point, Mr. Speaker: We are prepared to give the government House leader unanimous consent, notwithstanding my frustration at seeing the Minister of Tourism and Recreation with his statement, knowing the

statement is available and the holding back of same—

Mr. Speaker: Order, please.

Mr. Conway:—so the minister is now going to be able to control the last seven or eight minutes of question period and we are not even going to be given the common courtesy of having the thing in advance.

Mr. Speaker: Order. The honourable member will please resume his seat.

The Minister of Tourism and Recreation.

Mr. Wrye: Why hasn't the clock stopped?

Mr. Rae: Are you going to stop the clock?

Mr. Speaker: Would you stop the clock?

Mr. Rae: On condition that the clock stop at 10:20.

Mr. Speaker: Well, have we unanimous consent?

Agreed to.

Mr. Wildman: With respect, Mr. Speaker, the clock was at 10:20.

Mr. Speaker: All right. I have made a note of that. Let us not lose control here.

STATEMENT BY THE MINISTRY

GOVERNMENT ADVERTISING

Hon. Mr. Baetz: Mr. Speaker, copies of the statement for the press are on their way, I am told.

I rise this morning to make a full and positive response to the misconceptions created by a news story in the *Globe and Mail* last night and this morning, which was based on incomplete information. It was based on a copy of a preliminary, and I will stress "preliminary," report by the Provincial Auditor, which was addressed to my deputy minister with a covering letter requesting our comments on a number of items.

It constituted, in effect, a interoffice memorandum. It was not intended for publication.

Mr. McClellan: It was cloaked in secrecy. What happened to your cloak?

Hon. Mr. Baetz: If the honourable member is not interested in this, at least the general public and taxpayers would be interested in knowing what the real story is; so maybe he had better be quiet.

Ms. Copps: It is a good thing they got the information if it wasn't intended for publication.

Mr. Speaker: Order, please. We have unanimous consent to hear what the minister is going to say; so let us hear him.

Hon. Mr. Baetz: Its purpose was to give the ministry an opportunity to review the auditor's preliminary findings and then respond with explanations on the points which we felt were incompletely understood by the auditing team of two accountants, who were unfamiliar with the basic marketing principles on which my ministry operates very effectively in a highly competitive world market.

It was our feeling at the time that our responses had corrected some of the misconceptions contained in the auditor's preliminary report. We also felt satisfied that our explanations would remove those same misconceptions from the final stage of the regular auditing procedure, namely, the Provincial Auditor's report which, as we know, is printed and published as a public document.

I wish to go on record in the House and with the media as saying that my ministry follows, has followed and will continue to follow all the competitive tendering procedures laid down by the Management Board of Cabinet guidelines for advertising contracts.

Mr. Conway: That is not what the auditor said last year.

Mr. Speaker: Order.

Hon. Mr. Baetz: That is why I challenge utterly the allegation in the Globe and Mail report that millions of dollars in advertising contracts had been placed by my ministry without approval from the government's cost control agency.

I shall deal with the major statement in point-by-point refutation in just a moment, but first allow me to quote directly from the auditor's preliminary report on my ministry's management.

Under the heading, "Overall Ministry Assessment," the auditor's report states: "As a relatively new ministry (February 1982) its efforts thus far have been primarily directed at establishing role and mandate as well as systems and structures to allow accomplishments of this mandate. In this respect we feel that the ministry has made good progress."

Next, the auditor's report deals with the tourism marketing development activity. Here is what it says about our tourism marketing "Internal controls: We found that internal controls over advertising expenditures were adequate and we are satisfied there was compliance with legislative, administrative and agency contractual requirements. However, one exception did come to our attention: approval is not being

obtained on creative communications projects over \$500,000, as required by the Manual of Administration."

Specifically, the report spelled out this one exception as follows: "In 1982 the ministry paid a supplier approximately \$1.5 million to have a 48-page spring-summer magazine insert prepared for the ministry's advertising campaign. As the amount paid exceeded \$500,000 and was for a creative communications service, Management Board approval was required in accordance with the Ontario Manual of Administration but was not obtained."

11:10 a.m.

With regard to this single item on internal controls, on which we were asked by the auditor to comment, it was simply a matter of the auditors not being aware of the makeup of the \$1.5-million expenditure, as all administrative procedures were followed to the letter.

The \$1.5 million comprised three components of a 48-page advertising supplement for insertion in newspapers. The basic design work for the supplement as well as the placement for the supplement in various newspapers in the United States and Canada was the responsibility of the advertising agency. This work is defined under the terms of the standard three-year contract, which received Management Board approval following normal tendering procedures. The actual production of the supplement in terms of printing was the responsibility of the ministry. This work was tendered through the purchasing section of the Ministry of Industry and Trade.

As the portion of the work which exceeded \$500,000 was not for creative communication services but only involved straightforward printing costs, no Management Board approval was necessary. Consequently, with a total of \$1.3 million of the \$1.5 million in question being spent on the printing of some 8.5 million copies of the ("Ontario—yours to discover)" supplement, and this being done 100 per cent in accordance with Management Board guidelines and the Ontario Manual of Administration, I can categorically deny the Globe and Mail statement that "millions of dollars in advertising contracts have been placed without approval." This is definitely not the case.

Another point that requires clarification is the Globe and Mail statement that "the printing business is tendered every year as regulations require." The fact is that our printing business is tendered by the ministry every time a supplement is produced, and there are no exceptions.

The next subject the auditor addresses in the area of the tourism market is "controls to ensure economy." On this topic, the preliminary report said "cash discounts taken by a major advertising agency are not being passed along to the ministry." The major advertising agency referred to is my ministry's international award-winning agency, Camp Associates.

We are proud to be associated with this agency, because in travel advertising, they are simply the best. Their talented staff are superb professionals in promoting travel to and within this great province. They follow the rules and practices of the advertising industry as we follow the rules of the Manual of Administration.

The financial arrangement between the ministry and our advertising agency is entirely in keeping with normal client-agency agreements throughout the advertising industry. In the occasional instance where a supplier offers a two per cent discount to the agency for payments of an invoice within 10 days, the ministry is not able to take advantage of these savings. This is because we insist on seeing proof of performance—that is, evidence such as newspaper tearsheets attached to invoices—and require a number of levels of approval of the invoices prior to payment being forwarded. The time required for validation to be submitted by suppliers and payment to be made by the ministry can be up to 60 days.

On the other hand, if a service requires prebilling and a two per cent discount is offered, such as in our purchase of magazine advertisements in Germany, the ministry does benefit by paying a discounted cost for the advertisements.

Another comment by the auditor that requires clarification is: "The same major agency of the ministry is not obtaining tenders/quotations on works subcontracted by them." The suggestion that the agency was not always tendering subcontracted work to suppliers such as art studios and television commercial production houses was obviously made from a lack of practical knowledge. It is an accepted standard practice among major advertisers and their agencies.

Tendering is not always practical in areas of specialized expertise such as commercial filming, film editing or computer-generated typesetting. As an example, in the latter case, hardware and software compatibility and availability severely limit the degree to which work can be freely switched from one typesetter to another. But even in these instances, firms are

evaluated on a regular basis in terms of competitiveness and cost-efficiency.

Moving on to "resource utilization," the auditor's preliminary report stated, "Formal performance evaluations are not being carried out on the major advertising agency used by the ministry." It is important to realize that the emphasis here is on the word "formal". Evaluation is a constant and continuing process with any creative marketing service. While Camp Associates was selected competitively and has a three-year contract with the ministry, there is a 90-day cancellation clause.

There is also an annual internal review. In addition, in response to the auditor's comments, a more formal campaign evaluation is now being carried out by the ministry.

That is what I meant this morning when I spoke about being positive. I know the rules and my staff knows the rules, and we follow them scrupulously and without equivocation. I can make this statement without equivocation because it is an absolute fact.

Mr. Conway: Not so last year.

Mr. Speaker: Order.

Hon. Mr. Baetz: Our agency is a respected leader in the field of tourism advertising, as evidenced by the 14 international awards bestowed upon it by its peers for both television and magazine advertising since the launching of the "Ontario—yours to discover)" campaign three years ago.

Camp Associates has developed a highly professional and sophisticated tourism advertising campaign, the success of which has been well documented. "Ontario—yours to discover)" is recognized by nine out of every 10 residents, while 80 per cent of American residents in key border state markets tell us they are aware of the summer ads produced and placed by our agency.

Inquiries for more travel information, which are generated by our advertising, continue to increase every year. All important visits to Ontario by American residents were up this year despite extremely tough competition from other jurisdictions.

All this points to the obvious success of both our tourism marketing program and the agency responsible for our advertising.

ORAL QUESTIONS

(continued)

GOVERNMENT ADVERTISING

Mr. Rae: Mr. Speaker, my question is to the

minister who just made his statement. I would like to ask him a question with respect to page 7 of his statement, where he talks about the lack of tendering practices by Camp Associates. He does not touch upon the question which I previously asked him, and that has to do with the practice engaged in by Camp Associates of not passing on the discounts it receives from their subcontractors.

I would like to ask two questions. First, can he tell us whether the failure to tender for subcontracts is in breach of the Manual of Administration? This is a question of fact. Are the amounts of those subcontracts in excess of the amounts allowed by the Manual of Administration? Second, can he tell us whether it is common practice for contractors or advertising agencies such as Camp Associates to keep the money paid to them on a cash discount basis or whether it is common practice for that saving to be passed on to the taxpayer?

Hon. Mr. Baetz: Mr. Speaker, on the matter of tendering, an advertising agency such as Camp Associates really has several functions. One is the creative communications thing—the development of the ads, the decisions about what the campaign slogan will be, which pictures are to be used—

Mr. Cunningham: “Davis can do it” was the last one. “Keep the promise.”

Hon. Mr. Baetz: I would like to get this on record for the taxpayers, because it is their money we are talking about. I ask the member if he will please give me an opportunity to do this, because they have a right not only to know but also to understand what this is all about.

Mr. Cunningham: “Your future. Your choice.”

Mr. Speaker: Never mind the interjections, please.

Ms. Copps: Reuben, you had better watch out. Doug Wiseman said the same thing; look what happened to him. You might be joining him.

Mr. Speaker: Order.

Mr. Cunningham: “Davis can do it.”

Hon. Mr. Davis: Well, we did it.

Mr. Speaker: We are here in this chamber to protect the rights of the individuals who have sent us here. Surely we must respect each other's rights as well.

11:20 a.m.

Hon. Mr. Baetz: There are two aspects to this particular question. Camp Associates provides

the creative part of the development of the material. The decisions as to which photographs, slogans and displays are to be used are the creative part. That obviously is an internal thing; so one does not tender. One cannot tender for that; it is a service they provide to the government as part of the contract, for which they had gone out to tender some time before.

The other part of the service is the actual printing. Camp Associates does not do the printing; printing companies do that. When they tell us, “Here is the program we want printed,” it is our ministry, through the Ministry of Industry and Trade, that in every instance calls for tenders to have the printing done. That may answer that part of the question.

On the two per cent issue, this is a rather technical thing but I would like to explain it so this House and also the general public might understand it, because it has been suggested that there is a two per cent ripoff here, which is not the case at all. It used to be at one point that when an agency such as Camp would ask the media to run an advertisement, the media would either print the ad or show it on television. The media would be quite happy to do it and at some later time send the tearsheet back to the advertising agency.

I guess today advertising agencies do not trust the media and the media do not trust the advertising agencies; I do not know what. Anyway, at this point the media want cash on the barrelhead for the advertising they are going to do. Camp has to pay. It is only later, sometimes five or six weeks later, that the media then send back the tearsheet to Camp which in turn sends it to us, because we do not pay Camp until we have had evidence the ad was run. In many instances, Camp is carrying us for as long as 60 days.

Mr. Peterson: You don't trust him.

Mr. Conway: I'm going to cry.

Hon. Mr. Baetz: The members are really not very interested. They are interested only in themselves. Can I make one final comment?

Mr. Speaker: All right. Order.

Hon. Mr. Baetz: Particularly in the days of high interest rates, obviously when they carried us for 60 days it was an item. This was recognized when we signed the original contract with Camp for the two per cent.

At some future time, if the auditor feels there can be some improvement in this method, we will take a look at it. But this is the point that has to be made, this is not a ripoff by Camp on an

unsuspecting or somewhat stupid ministry. It is not. It is part of a good, solid bargain made between this ministry and the best advertising agency in Canada and United States. Their peers have recognized them to be just that.

Mr. Rae: It is always refreshing to hear a defence of the agency of Dalton Camp, Norman Atkins and Hugh Segal coming from such an unbiased source as the Tory minister, the member for Ottawa West. It really does one's heart good to hear that kind of unsolicited promotion from a Tory cabinet minister.

The quotation that is there from the report of the auditor is quite clear, whether it is a preliminary report not intended for publication—it is obvious it was not intended for publication; the government would prefer nothing ever to see the light of day—it says, "While these discounts were taken by the agency they did not pass these savings along but rather billed the gross amount of the invoice to the ministry."

The question the minister has to deal with and to answer is whether the cost to the Camp agency of carrying the government, as he puts it, for up to 60 days is in any way the equivalent of the two per cent cash discount. It would appear from the comments the auditor made that there is no general equivalence in those costs.

Can the minister tell us what the costs are? What is the cost equivalence? What are the savings that are being allowed to be kept by Camp Associates and how much is it costing to carry the government for 60 days? There is a dollar figure here. How much is the dollar figure worth? Has the minister been able to calculate that? If he is not able to calculate it, will he refer the matter to the public accounts committee so it can have a look at it?

Hon. Mr. Baetz: Of course we will be prepared to refer the matter to the public accounts committee if that is indicated; no problem at all. I can simply tell the member our marketing experts have worked with the agency around this question of what is a fair arrangement on the two per cent discount.

One way that has been suggested is that they figure out on almost every billing what the discount should be, how much the Camp agency should keep and how much should be returned to government. The reason they did not go along those lines was that it would have created all kinds of horrendous administrative detail.

Maybe there is a better way to come down to a fair and good figure for both the agency and government. I can only assure the member and the House that we are constantly attempting to

work out the best formula. Certainly this is not something we are unaware of and it is not a case of some ad agency ripping off the government over these discounts.

Mr. Bradley: Mr. Speaker, on page 2 of the minister's report he says, "It was our feeling at the time that our responses had corrected some of the misconceptions contained in the auditor's preliminary report." Is the minister now telling the House that the auditor is completely satisfied with these practices? Is he willing to table for members of the House the memoranda between himself and the auditor's office to indicate to members of the House whether or not the auditor is indeed now satisfied? Obviously he was not satisfied at the time he confronted the minister.

Hon. Mr. Baetz: Mr. Speaker, these exchanges of memos between the auditor and a ministry are commonplace. I would imagine they happen in perhaps every audit. It is simply a method whereby the auditor asks the ministry for further elaboration, for explanation or whatever, and the ministry replies. The ministry never knows until the printed audited report is out whether or not the auditor is satisfied with the explanation.

We have reason to believe that in this instance he will be substantially satisfied with the information we have given him. Certainly there is no way of knowing how many of these comments he has accepted. In the fullness of time, I guess we will all know. We are confident that we have provided him with the information he was seeking.

Mr. Bradley: Will you provide the information to members of the House?

Hon. Mr. Baetz: The memo that my deputy minister sent to the auditor on August 29 is now the property of the auditor. As the auditor's side of the exchange has been made public, I would have no objection if our reply of August 29 from the deputy minister were to be made public by the auditor. I would have no objection at all; in fact, I think then the world could see both sides of the issue. But at this time, I regard that as being the property of the auditor and he must decide how he is going to deal with the issue.

Mr. Rae: The fact of the matter is that members of our party have asked time and again in the public accounts committee for a general review of the way in which advertising contracts are tendered and the way in which they are granted by the government. This request has

been consistently rejected by the Tory majority on the public accounts committee.

Would the minister indicate to the House whether or not he is prepared—in fact, would like an opportunity—to explain for the benefit of the public accounts committee exactly how the contracts are tendered and how the process works? Is he prepared to table for the purposes of the public accounts committee all of the memoranda, both one way and the other way, with respect to the practices from which the result has been this story?

Hon. Mr. Baetz: I cannot speak for other advertising, but I can certainly speak for the advertising in my ministry and for tourism marketing advertising. I would look forward to the privilege of going into detail as to how these contracts are let and how we work with the agency and the media. We are absolutely confident that we are doing it in the best and the most efficient way possible and that the taxpayers of Ontario are getting full value for their bucks.

PETITION

INFLATION RESTRAINT LEGISLATION

Ms. Copps: Mr. Speaker, I have a petition to the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned registered nurses employed by the Children's Hospital of Eastern Ontario, situated in the city of Ottawa, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the salary rollback of 3.5 per cent and salary increment freeze imposed on us by the Children's Hospital of Eastern Ontario, we believe we are entitled to have this rollback reversed because, by rolling our salaries back by 3.5 per cent, our salaries fall far behind the salaries of other hospital registered nurses.

"The other hospital nurses received a nine per cent increase on October 1, 1982, and a five per cent increase on October 1, 1983. By freezing our salary increments, our service and expertise were not recognized by the above mentioned employer. The rollback occurred after the government imposed Bill 179.

"We petition the Ontario Legislature to restore our lost salaries and bring them to parity with the other hospital nurses."

That petition is signed by 267 nurses at the Children's Hospital of Eastern Ontario.

11:30 a.m.

REPORT

STANDING COMMITTEE ON ADMINISTRATION OF JUSTICE

Mr. Kolyn from the standing committee on administration of justice presented the following report and moved its adoption:

Your committee begs to report the following bill with a certain amendment:

Bill 97, An Act respecting Central Trust Company and Crown Trust Company.

Motion agreed to.

Bill ordered for third reading.

MOTIONS

COMMITTEE SITTINGS

Hon. Mr. Eaton moved that the standing committee on general government be authorized to meet following routine proceedings in the afternoons of Monday, December 12, 1983, and Tuesday, December 13, 1983, to consider the estimates referred to the committee.

Motion agreed to.

Hon. Mr. Eaton moved that the standing committee on public accounts be authorized to meet in the afternoons of November 28 and 29, 1983, and in the afternoon and evening of December 1, 1983, to consider its annual report to the House.

Motion agreed to.

Hon. Mr. Eaton moved that the standing committee on resources development be authorized to meet in the afternoon of Wednesday, November 30, 1983, to consider the estimates of the Ministry of Natural Resources.

Motion agreed to.

INTRODUCTION OF BILL

MINISTRY OF HEALTH AMENDMENT ACT

Ms. Copps moved, seconded by Mr. Wrye, first reading of Bill 130, An Act to amend the Ministry of Health Act.

Motion agreed to.

Ms. Copps: Mr. Speaker, this bill is intended to ensure that hospitals and clinics in Ontario comply with and promote the World Health Organization code of marketing of breast milk substitutes, specifically that the free distribution of breast milk substitutes in hospitals across Ontario be banned and that hospitals and public health institutions encourage the World Health Organization code which has already been adopted by the government of Canada.

ORDERS OF THE DAY

House in committee of supply.

ESTIMATES, MINISTRY OF NORTHERN AFFAIRS

(continued)

Mr. Stokes: Mr. Chairman, I wonder if we should take a few moments so that all members of the House who are not interested in northern affairs could leave quietly so that we can get on with the business of the people north of the French River.

Hon. Mr. Ashe: You do not have many people on your side interested in the north.

Mr. Wildman: We have already raised that point.

Hon. Mr. Ashe: There are five people on the opposition benches interested in the north. Let the record show that.

The Deputy Chairman: Order. The minister is speaking quite out of place and is out of order.

Mr. Wildman: Why does the minister have to be so partisan? The member was talking about everybody on all sides of the House.

The Deputy Chairman: And order from the member for Algoma (Mr. Wildman). The member for Lake Nipigon has the floor.

Mr. Stokes: When we met to discuss these estimates last Monday I was talking about our inability to manage our resources in general in the north for the maximum benefit of people there. I was speaking specifically of wild rice and I was quoting from a letter from a chap by the name of Bob Shetterly, who is the proprietor of the Albany Free Traders at the mouth of the Albany River just south of Pickle Lake. I am not going to rehash the letter. I know the minister and the member for London North (Mr. Van Horne), the member for Algoma-Manitoulin (Mr. Lane) and the member for Algoma were listening.

I want to try to elicit a response from the minister as to what part, if any, he is playing in maximizing the economic impact of indigenous resources on the people in the north, specifically in this case in regard to wild rice. The minister will know we had a five-year moratorium on the issuance of any further licences for the harvesting of wild rice, restricting it to those who traditionally harvest, the majority of whom are our first citizens although there are instances of non-Indians having the authority.

My reason for bringing it to the attention of the committee is that it is having a satisfactory

impact on the people in the Osnaburg area as a result of the kinds of things being done to maximize the economic impact. I want to quote two brief lines saying why that impact has had a satisfactory effect.

One of the main deterrents was and is that we should have: "One, a law requiring the correct labelling of wild rice, a simple truth in labelling act that would prevent farm-grown paddy rice from being marketed and sold as wild rice; and two, harvesting regulations that would provide controls on the time and method of harvest. It is my opinion"—says the writer, Mr. Shetterly—"that such simple legislation would increase production by at least 100 per cent as the product is already here."

The minister will know what I am speaking of in trying to maximize the economic impact by harvesting at the optimum time, that is, when the kernels are the fullest and the harvest is at its very best with regard to quality. I hope the minister will give us his thoughts on how he feels we could maximize the economic impact of the harvesting of wild rice by our first citizens.

We all recognize that their opportunities for economic independence are based almost solely on indigenous resources, whether mining, forestry, tourism or the harvesting of wild rice. I do not think we have even begun to scratch the surface in that regard as it pertains to our first citizens, particularly in those areas north of the 50th parallel.

11:40 a.m.

I have discussed in some detail and at some length during the estimates of the Ministry of Tourism and Recreation the economic impact the tourist industry could have on our first citizens if we play our cards right. This is just a part of the continuing saga I am expounding in this assembly to try to maximize the economic impact. I will say no more on that subject and I hope the minister will respond.

I want to make one further comment in my opening remarks. It has to do with the plight of our first citizens at Whitedog and Grassy Narrows. I want to quote from a letter that was sent to the Honourable John Munro on August 8, 1983, by Mr. Bruce Knapp of Peterborough, Ontario. I have shared some of that correspondence with the minister and he will know what I am speaking of. I want to put this letter on the record to set the scene for what I and a lot of people think is a real travesty.

"Mr. Munro:

"I wish I could find words to express to you my deep anger and outrage over the situation of

the Grassy Narrows band of Indians as revealed on the CBC radio program aired on the AM band on Sunday evening, August 7.

"The dreadful and sordid facts revealed in that program are a ghastly commentary upon the laissez-faire attitude of your department, which apparently believes its sole responsibility for the wellbeing of native people ends with the issuance of a monthly welfare cheque to them. The situation is all the more horrible because, in so far as my memory goes, it was your department which, following the destruction by industry of that band's fishing grounds upon the Wabigoon and English rivers, moved them to a regimented existence in a tiny barracks-like space from a natural reserve where they had been happy and self-sufficient, with seemingly no thought for their continuing normal way of life.

"Now the results are becoming catastrophically evident. The ratio of natural deaths to violent ones is 25:75 in a community of approximately 600. Suicide is rampant, including, incredibly, that of children down to the age of 11 years, lost to hope. The suicide rate for the community is many, many times the national average.

"Alcoholism, starvation, sickness and infant mortality are also rampant. The band, we are told by several authorities, is self-destructing from despair and apathy. Since this state of affairs stems from indifference and ill-considered action by a white government perpetrated upon a section of our native population it is being done in part in my name, and that is why I am so wrathful. I demand that you forthwith take strong action to remedy this disgraceful, astounding and most shameful situation."

It is signed by Mr. Knapp.

I do not think I shared that letter with the minister, but I shared the response Mr. Munro sent to Mr. Knapp, dated October 4 of this year. It reads as follows:

"Dear Mr. Knapp:

"Thank you for your letter of August 8 regarding the situation at Grassy Narrows, as described in the CBC program Ideas.

"I am pleased to take this opportunity to outline my department's recent efforts to deal with the community's plight. In December 1978, the band, the Ontario government and my department started to negotiate a settlement that would resolve the problems of the reserve and enable the band to gain access to resources that would allow it to create a process of self-renewal.

"The discussions have been far from easy, but I am confident that the federal government has been dealing with the band in good faith by taking part consistently in continuing negotiations to the point that I believe we will within the next few months achieve a settlement.

"I am not at liberty now to disclose particulars since the negotiations have not been concluded, but I believe that both the band and my department have worked hard to reach a settlement that will be satisfactory to both parties.

"At the same time, I am intervening on behalf of the band in its negotiations with Great Lakes Forest Products and Reed Ltd., the companies that share responsibility for the pollution of the English-Wabigoon River system. I hope that a meeting will take place shortly that will lead the band to conclude an agreement with the companies.

"In addition, my department continues to encourage the province of Ontario to negotiate with the band. The Ontario minister responsible, the Honourable Norman Sterling, responded on July 21 to the latest band proposal by indicating that the province is reviewing its position and will be meeting with the band soon. You will be interested to know that since 1978 my department has allocated special funding to the band to ensure that it would be able to take full part in the negotiations.

"I certainly share your concern about Grassy Narrows. I would point out, however, that the Ideas program failed to mention that the federal government is fully involved in a process of band rehabilitation. I hope that within a few years the Grassy Narrows community, with some outside assistance but largely through its own efforts, will have rebuilt a sense of self-worth and wellbeing.

"Yours sincerely, John Munro."

Just to bring it up to date and to give you the last I have on it, there was a meeting subsequent to that letter and it was covered in a Canadian Press news story from Ottawa, which reads as follows:

"After years of delay and acrimony, owners of a Dryden, Ontario, paper mill will have agreed to try to reach a mercury pollution compensation agreement with two neighbouring Indian bands within 30 days, so says Indian Affairs Minister John Munro. If the attempt fails, Munro warned, he will go to cabinet in an attempt to find a political solution to the impasse.

"The minister was commenting after a closed meeting of representatives of the Whitedog and

Grassy Narrows bands, Great Lakes Forest Products Ltd. and Norm Sterling, Ontario Minister for Resources Development. Both Munro and Sterling said they were encouraged by the meeting called by Munro in an attempt to salvage compensation negotiations that have dragged on since 1977. The bands have threatened to press ahead with a lawsuit if a negotiated settlement fails, but Munro would not say if one federal option is to pay the bands' legal costs.

"I think we all agree at the federal level that we cannot protract this any longer," Munro said. The Dryden mill, once owned by Reed Inc. but purchased by Great Lakes in 1979, is blamed for dumping about 10 tons of mercury into the English-Wabigoon River system in the 1960s.

11:50 a.m.

"The discovery of the mercury in 1970 wiped out the fishing industry, the major source of food and employment for the two bands located north of Kenora, and caused a disastrous chain reaction of economic and social breakdown.

"Members of both bands and representatives of Great Lakes left the meeting without talking to reporters.

"The bands are also close to receiving two other compensation agreements, said Munro and Sterling. The federal government is only days away from signing a compensation agreement with the Grassy Narrows band similar to one it signed more than a year ago with the White dog reserve, Munro said.

"He would not disclose details of the package, but said it would differ somewhat from the White dog agreement, which includes a \$1.5-million cash settlement, a federal commitment to build a high school and other reserve services and improve its monitoring of mercury levels in reserve residences.

"Meanwhile, Ontario hopes to sign a compensation package with White dog by the end of the year, said Sterling. An agreement with the band, which included a forestry program and limited Indian control over quotas for fishing, hunting and trapping near reserve lands, was scuttled earlier this year because of a vocal protest by non-Indian residents in the neighbouring Kenora area.

"Sterling said the provincial government is treading lightly this time and will take pains to explain the agreement in full to residents near the reserve. An economic and social development package for Grassy Narrows is still a long way from fruition, he added."

To put it in perspective, in terms of this minister's involvement, I know that the Provin-

cial Secretary for Resources Development (Mr. Sterling) is the chief negotiator for Ontario. His predecessor, the member for Lambton (Mr. Henderson), had a go at it; his predecessor, the member for Sault Ste. Marie (Mr. Ramsay), had a go at it; and his predecessor, the former member for Cochrane North, had a go at it; and here we are, almost 10 years after the fact, still wondering whether or not the federal or provincial government give a darn about what happens on White dog and Grassy Narrows.

Just to give the minister something to react to, because it deals specifically with quotes that were made available to me and are from the program I referred to earlier, Mr. Crofts, one of the negotiators, and I believe the chief negotiator, is quoted as having said: "The first meeting that I recall was on October 31, 1975, Halloween evening. Three characters, none of whom I had ever met, flew in from Toronto. Their names were Leo Bernier, Minister of Natural Resources at the time; Frank Miller, presently Treasurer of Ontario; and George Kerr, who at the time was Minister of the Environment." This was back in 1975.

"These gentlemen appeared at a meeting in Kenora to face the chiefs and band council of White dog and Grassy Narrows, and that was really my first perception of the province and how they behaved."

The interviewer says, "How did they behave?" Mr. Crofts says: "Well, they were marvellous in their performance in the two or three hours they were there, at least in terms of a verbal performance. They flew away back to Toronto, admitting that this was a situation that deserves special attention and, really, you know, by about January, which was three months later, having heard no replies from them at all, my first inkling of provincial concern or lack of concern was coming to the fore. I thought, well, if this is an emergency and we have not heard from these three characters in three months, just what is their perception of the problem?"

The interviewer says: "The position of the province of Ontario remained essentially unchanged during the entire decade of the seventies. The government's response to the mercury problem appeared to be determined by two principles: first, Indian people were not a provincial responsibility; and second, the government was not liable for damage arising from industrial pollution."

Mr. Crofts says: "My sense is there are two provincial approaches. There is the broad one which says, 'Why should we as a province take

on a fiscal or financial responsibility for a group of people which, from a legal point of view at this point in time, we do not have to take on as a responsibility?"

"In other words, going back to the royal proclamation of 1763, I believe it was, there is an indication that the Indian was to be a federal responsibility. That has become a very convenient crutch for the provincial cabinet to lean on. That, to me, is really the key.

"You can go beyond that. In recent months we have had responses from provincial ministers who take a different stance in terms of the actual mercury pollution.

"There was a quote in 1977 by the Honourable Leo Bernier, who is currently the Minister of Northern Affairs. Mr. Bernier's comment at that point was: 'Ontario's policy is that there will be no compensation for industrial pollution. The courts are open to individuals to take on the polluter.' In other words, we as the province have no responsibility in this thing, quite aside from our responsibility of monitoring that plant, and if these people at Grassy Narrows or Whitedog have a beef, let them go to court.

"Now that same position, incidentally, was reiterated back in December 1981, much more recently, when the Honourable Russell Ramsay, who is presently Minister of Labour, stood up in the provincial House and made the statement, 'Any liability for damages would appear to lie with those whose actions led to the presence of mercury in the water and not, I would emphasize, with the government of Ontario.

"Now, as I say, the legal crutch is handy in both those instances. It is easy for the government to opt out and pass the buck to the corporation. It is even easier for them to opt out of the whole Indian question generally, based on the BNA Act and the historical relationship of Indians to the federal government."

The interviewer says: "The federal government, especially the Department of Indian Affairs, did not take a serious interest in the mercury issue until the middle of the decade. There was a task force, however, appointed in 1973 to study the problem. It concluded that the federal government's approach had been fragmented and lacked cohesion.

"In response, the government established a standing committee on mercury in the environment made up of officials from different departments. It met several times over the next three years. Beset by internal squabbles as to which department had the responsibility to deal

with mercury, the committee accomplished nothing.

"Then, in 1975, two events galvanized the federal government out of its inaction. The first was the organization of a mercury team within the National Indian Brotherhood. This group gathered information and put pressure on the government to act. The second was the visit of the Japanese doctors who had been involved in Minamata in Japan to deal with the effects of mercury pollution on human beings."

I would like to elicit from the minister his own personal position and the position of his ministry acting in a co-ordinating role as it does; it is a very real, very significant and very important part of his own personal mandate and the mandate of his ministry.

12 noon

I know there has been a lot that has been going on behind the scenes that we are not aware of. All I know is that there is a lot of inertia and a lack of cohesion, as they say. There is a lack of any real commitment to have this thing over with after well in excess of 10 years.

I know that communication is not as good as it should be over there. I do not know what ongoing dialogue the minister has with his colleague the Provincial Secretary for Resources Development; what kind of dialogue he had with the member for Lambton; what kind of dialogue he had with the Minister of Labour; what kind of dialogue he might have had with Mr. Brunelle—all of whom had some responsibility for bringing a conclusion to this that would be satisfactory, particularly to our first citizens.

The minister himself is quoted rather extensively in the information I referred to, and in the correspondence I shared with the minister he said:

"Thank you for your letter of September 6 enclosing a letter from Mr. Knapp of Peterborough concerning the Indians at Grassy Narrows. As you know, the standing committee on social affairs has met this week"—the week of September 23—"with the chief and councillors of Grassy Narrows band on the reserve. Their report will, I am sure, contain a number of recommendations which will be of great interest to the government.

"I note that Mr. Knapp has written to the Minister of Indian Affairs, who has responsibility for Indian communities on reserve. I believe you are quite familiar with the various efforts that Ontario has made and is continuing to make to assist the residents of this community.

Should Mr. Knapp receive future correspondence from Mr. Munro which points to programs which a provincial government could properly undertake to assist this community, you and I, and I know all other members of the Legislative Assembly would want to know of them. I regret that I did not see the documentary program in question, so I cannot be more specific at this point." That is signed by the minister.

I would like the minister to give me an update of where it is and why his government, if not his ministry, through the Provincial Secretary for Resources Development is not really bringing this to conclusion, given the terrible social, economic and psychological impact that pollution has had on those two Indian reserves, Whitedog and Grassy Narrows.

There are many many things I could say in connection with that saga of neglect, indifference and inaction; but I will not. I will save it until we get into the various votes. There are a lot of other questions I would like to raise at this time, but in fairness to my colleague the member for London North and in fairness to the minister to give him an opportunity to respond to the opening remarks of the member for London North, I will leave it at that. We will continue on with the votes after the minister has had an opportunity to respond.

Hon. Mr. Bernier: Mr. Chairman, I want to start by responding to the remarks of the member for London North, but let me initially express my appreciation to him for his kind opening remarks with respect to the efforts of the Ministry of Northern Affairs. I am most pleased that he recognized our efforts in trying to co-ordinate and improve generally the quality of life right across northern Ontario.

I would be the first one to admit that while we have made great strides in the past seven years, as the member pointed out, there is still much to be done. We intend to work on those areas as diligently and untiringly as we can, because we are very close to the scene up there in northern Ontario. We are on a day-to-day basis with all the various needs, problems and desires of the local people. We do have a firsthand grasp of the issues, and we continue to respond on an ongoing basis.

I also want to join with the member for London North in recognizing the contribution made by the member for Lake Nipigon (Mr. Stokes) to these estimates and, indeed, to other ministries I have had the opportunity of heading

over the past 17 years. I must admit I am a little disappointed to learn he is hanging up his cleats. He has seen fit to pass on the political mantle in his riding to another individual. I do not think we will see him in the Legislature, but it will be nice to have the last New Democratic Party member from Lake Nipigon sitting across from us and joining us in these debates.

Mr. Stokes: Boy, that is a backhanded compliment.

Hon. Mr. Bernier: What I am saying is, they will never have a member to equal the present member. That is about as nicely as I can put it.

Hon. Mr. Ashe: I hope they will never have one.

Hon. Miss Stephenson: He is one of a kind.

Hon. Mr. Bernier: He is one of a kind. He has made a tremendous contribution.

It has been a very interesting time and the exchanges have always been on a very positive upbeat note, in a real northern Ontario atmosphere, putting forward issues and problems that need and should have the attention of this government. I accept that type of criticism.

In my opening remarks, I indicated I would like some positive, constructive remarks. When we move around northern Ontario we know the problems most times, but we are always anxious to get some help in finding solutions. The Premier (Mr. Davis) has said many times: "Don't bring me problems. If you bring me problems, bring me solutions too, so that we can resolve them." That is our job.

The member for London North made some considerable comment concerning the regeneration and reforestation program in northern Ontario. I mentioned in my opening remarks that we deal with Treasury and with the federal government in the federal-provincial program of regeneration and forest management. A \$72-million program has been brought forward, and funds under that program are passed to the Ministry of Natural Resources as the line ministry for doing those various things. We work very closely with them in their efforts to develop a sound regeneration program.

I must point out that the expertise, the numbers game everybody is fond of playing, really rests with the Ministry of Natural Resources. Our ministry is not involved in the day-to-day administration of tree nurseries, but as I fly across northern Ontario and travel across northern Ontario, I see an increasing number of tree nurseries from the Quebec border right across

to the Manitoba border. There are private sector nurseries all over.

I encourage my colleagues to go to northern Ontario and to look at what is happening in the regeneration and reforestation program. Millions of dollars are now being poured into that program. When I was in Natural Resources some seven or eight years ago, at that time we were trying, hard as it was, to extract those federal dollars because we always felt that with the tax return the federal government receives from the forest industries across this nation it was not putting its fair share back through the provinces in a forest management program and assisting the provinces in the very important area of regeneration and forest management.

Mr. Haggerty: The industry has that responsibility.

12:10 p.m.

Hon. Mr. Bernier: It talks to the federal government. The honourable member should look at the millions of dollars across this country. It is a very important industry in Canada, and all we are asking for is a fair return on what they get from the industry itself, be it the workers or the industry itself. I think they have now awakened to that fact, so much so that in the House of Commons recently we heard that one of the members—he was an NDP member, if I recall correctly—has asked for a separate ministry of forestry. I think that makes sense, I really do; that is the focus the federal government should be putting on forest management across this nation.

It is all right for the federal minister to go around saying we are not doing enough and we are not doing this and to look over the shoulder of the Minister of Natural Resources and condemn each provincial government across Canada, the governments of New Brunswick, British Columbia and all the other provinces, in saying those things; but if he is going to say them, he should put his money where his mouth is—

Mr. Stokes: He is a professional forester himself, Charles Caccia.

Hon. Mr. Bernier: Yes. I say to my colleagues in the official opposition that they are in constant contact with their federal counterparts. It may well be they should be leaning on them to try to push more money into a sound forest management program to assist the provinces across this nation in maintaining what we know is a very important and valuable industry, particularly in northern Ontario.

I have said it publicly on many occasions, and I certainly will say again, that I am confident with the thrust the Ministry of Natural Resources has geared up to now. As one who has lived in northern Ontario all his life and who was actually involved in the sawmill business, I know of their desire to further crank up their financial involvement in this whole field of reforestation, forest protection and insect control.

My father had a sawmill in Hudson, as the members well know, and it is still operating today, employing about 325 people. We were directly involved. I am confident that mill will continue for years to come, because the overmature timber is still available to many of the mills across northern Ontario and because of the emphasis on reforestation and regeneration programs and the success they are having.

If the member is looking for real numbers, I would say he should meet with the Minister of Natural Resources and ask him those questions, because that is the place he should really be getting them. We lean as hard as we can in our efforts to co-ordinate and get as much funding as we can for those programs that mean so much to us in the north.

Another area the honourable member went into in some detail about was the—

Mr. Van Horne: Can I interrupt?

Hon. Mr. Bernier: Yes.

Mr. Van Horne: I was taking a quick look for the press clipping of a week or so back wherein it was stated by, I believe, the Deputy Minister of Natural Resources that information gathered would not be shared because he felt it would not provide enough meaningful information for us. That may not be the exact quote, but it is close enough.

I am sure the minister saw that. How does he react? Obviously he gets a chance to look at it as a government member, but here we are on the other side of the House not able to look at that, and yet in the next breath he says—

Mr. Stokes: Those estimates are on in this building in another forum.

Hon. Mr. Bernier: That is right. The member might want to go down and ask him.

Mr. Van Horne: Is that information being revealed at this time in those estimates?

Hon. Mr. Bernier: I am not sure—

Mr. Stokes: No.

Mr. Van Horne: No.

Hon. Mr. Bernier: I have to tell the member,

on reading that particular newspaper article I had the opportunity of speaking to the deputy minister and he indicated to me that with their new modern technology, satellite pictures and infrared equipment, they are in the process now of bringing all those facts and figures up to today's requirements and that to give the outdated information—

Mr. Haggerty: The moose herd too.

Hon. Mr. Bernier: Yes, but they have so much sophisticated equipment now that within a short period of time they think they can come forward with some very valuable information that will be helpful to all of us.

I would encourage the member to go down there and speak to him, because I am sure he could be more helpful than I in that particular area.

Mr. Van Horne: He will reveal the information?

Hon. Mr. Bernier: I am not sure precisely what he will reveal.

We were talking about the agricultural potential in northern Ontario, with which I think we all agree. We in the Ministry of Northern Affairs have identified this potential. This is one potential that we think has not even been touched to any degree at this time. There is potential for many crops that are indigenous to northern Ontario which could support a much larger farming community, be it in Rainy River, around Thunder Bay or in the New Liskeard area, which at this time I suppose are not even looked at with any great knowledge of their potential.

As an example, we are doing that with our seed potato upgrading and distribution program. I announced that in this Legislature, and my colleague the Minister of Agriculture and Food (Mr. Timbrell) similarly announced it in New Liskeard where that facility will now develop a certified seed potato. This would eliminate about 80 per cent of the imports from Prince Edward Island and New Brunswick. It is something we have been working on for about two years, because we had to get federal certification. That is very important; without it we just cannot go forward. It is things such as that on which we can intensify our efforts.

The northern Ontario rural development agreement is another good example of how we can move into the field of agriculture. There are a number of programs, such as tile drainage and land clearing. That has been a very popular program. Some 900 farmers have been assisted through NORDA; not with large amounts of money, but there are 900 who have been

assisted directly through that program. I will be sorry to see NORDA come to an end on March 31, 1984.

Mr. Stokes: Is it not being renegotiated?

Hon. Mr. Bernier: We are trying that now, but it is under the umbrella of the general development agreement. We have had some discussions with the Treasurer (Mr. Grossman). Various ministries expressed a desire to have an overall general development agreement. This matter was brought up at the northern ministers' conference that was held in Slave Lake, Alberta. All the ministers who are responsible for northern development expressed a similar concern, that they wanted to renegotiate the GDAs in their provinces.

There was some indication, however, that the feds were a little reluctant to go the same way in which they had gone in the past, that they might want to go a unilateral route; but they were always saying there would be consultation. We felt that if they went their own merry way there would be duplication and, of course, their priorities would not be our priorities and that would further aggravate a federal-provincial problem.

We leaned on them as hard as we could and were as tough as we could get at that particular meeting. Mr. Lumley was there and he took our concerns back to Ottawa. I am not sure where they stand at present, but I know the Treasurer is looking forward to meeting with Mr. Don Johnston to find out just where we stand on all these agreements.

However, the northern Ontario rural development agreement has really caught on. It has done a remarkable job not only in agriculture but also in the field of tourism to assist those small tourist operators with the development of marketing plans and the development of modern brochures and in trying to extend their operations on a much more solid base earlier in the spring and later in the fall. That emphasis has really worked.

I was in Sudbury on Wednesday last to meet with the Northern Ontario Tourist Outfitters Association. It was very heartening to hear them talk so highly of the results of NORDA right across northern Ontario. Let us hope that we can negotiate a further agreement for this province and for northern Ontario.

We are working very closely with the Ministry of Agriculture and Food, in our co-ordinating role, on the implementation of the agricultural strategy that the Minister of Agriculture and Food announced on Manitoulin Island. There

are regular contacts and ongoing discussions between his ministry and ours with respect to that strategy as it relates to northern Ontario.

12:20 p.m.

Mr. Van Horne: Excuse me, Mr. Chairman, may I interrupt? One of the questions I asked relating to agriculture concerned the potential of sheep farming. I may have missed it while I was looking for another press clipping. I do not know if the minister addressed that theme, but if he skipped over it, would he care to observe on it now?

Hon. Mr. Bernier: Yes. We leave specific programs such as sheep farming to the Ministry of Agriculture and Food because it has the expertise and is the line ministry. These programs all flow through in the discussions we have with that ministry. To give an example, in my riding there is one sheep farmer who has over 1,000 sheep, assisted through the northern Ontario rural development agreement program with the strong support of Agriculture and Food.

Not only has an excellent sheep operation been developed, but there is also an abattoir from which lamb and sheep are sold to the general public. With some assistance from NORDA, there has been developed a very interesting and modern sales program for wool from the sheep and other manufactured products from the farm.

Bob Eglie and his sons, who have all gone through the educational institutions of Ontario, have now moved back into the Dryden area and work very closely as a family operation. If the member is up in that neck of the woods, he could drop in at the Eglie farm and he will be more than pleased with what he sees and with what is available; everything from fur jackets to wool toques, socks and blankets, many of them made right there on site. They have—what do you call those gismos that take the wool and sort it out and make—

Hon. Miss Stephenson: Carding.

Hon. Mr. Bernier: Carding and knitting machines. People are involved in the cottage industry of knitting sweaters and mittens in their homes and bringing them to the outlet and selling them to the general public. It is a very popular operation.

Mr. Van Horne: I hope members will not mind my pursuing the issue. I would like to ask if there is much of an attempt to pursue the slaughter side of sheep farming for the meat that

is required, as I understand it, in large quantities in Metro.

Hon. Mr. Bernier: I did not get that question.

Mr. Van Horne: I understand there is a large market in Metropolitan Toronto for lamb. Rather than seeing this come as an import into Canada, not only from outside of Ontario but into Canada, is there much of an attempt by the farmers of northern Ontario to produce lamb and sheep for consumption?

Hon. Mr. Bernier: There is a growing interest across northern Ontario in this field but one has to have the right type of people involved. The Swiss people in my area have done a remarkable job in moving into the sheep farming business because of their knowledge and experience in another country. No doubt there is a tremendous potential in that area. Certainly, we will be following up with the Ministry of Agriculture and Food.

Another area of interest with respect to sheep farming is that NORDA has funded a pilot project in a couple of areas in northern Ontario in the use of the New Zealand type of fence. Predator control is very important in northern Ontario. A couple of farms in the northwest have used electric fences. That has worked and we are trying this new—I am not sure exactly how it works but it is a New Zealand type of fence that is really helpful in controlling predators such as wolves.

Hon. Miss Stephenson: What would it be?

Hon. Mr. Bernier: It must be a tightly knit type of thing. This program is going on now in response to a specific request with regard to sheep farming.

Mr. Van Horne: I would like to continue with these interruptions, Mr. Chairman, as long as the minister does not mind. I did find that press clipping related to forestry data. It is from the *Globe and Mail* of November 16 and indicated:

"William Foster, Ontario Deputy Minister of Natural Resources, has decided not to release information on how much forest regeneration is being conducted in the province. The decision comes two months after the New Democratic Party asked for a detailed accounting in the areas cut and regenerated in the past five years by nine large forest companies."

The story quotes Mr. Foster as saying, "There's a lot of confusion with the data that's been collected dealing with the regenerated seedlings ... the information we've collected, we don't feel is very useful."

I find that statement, coupled with the minis-

ter's in which he indicates I should speak to him, to be in conflict. I am dwelling on the point so that I can understand the situation. The minister is telling me if I speak to Mr. Foster I may well get the information he would not release, according to this story, on November 16.

Hon. Mr. Bernier: I do not think that is exactly what I said. I said they had decided, at least to my knowledge, not to release those statistics because in their opinion they were outdated.

When it comes to facts and figures, as we see in this House one can manipulate those numbers to support one's argument no matter which side of the ledger one is on.

He did indicate to me they were taking some new photographs and bringing in new technology to look at all the regeneration and silviculture programs, even the resource management program. He feels strongly that once this new information is available it could possibly be made available, which I am sure it will be.

I do not want to give information that is confusing. A professional would be able to decipher it, but it is sometimes difficult for the layman to grasp the significance of those numbers.

Both the member for London North and the member for Lake Nipigon spent considerable time on the wild rice issue in northern Ontario. That is something I have had considerable involvement in over the last several years. It is something that has concerned me as the local member and indeed as Minister of Natural Resources and now as the Minister of Northern Affairs. I have to agree with the members that we have not yet maximized the economic potential of wild rice in any way, shape or form.

I get annoyed when I look back five or six years ago and think that we had 19 per cent of the world production in northern Ontario. We are down to about seven per cent. I think we have done a disservice not only to the people of northern Ontario but to our native people. We have not responded in an economic development way to assist them. I suppose what I am saying is the moratorium has been a disaster for them. I do not think it has been beneficial to them.

I am going to send each member a pound of wild rice to show them just what happened. Five years ago, California was not in the wild rice business. Today, we are seeing wild rice being imported into this province. As a northerner, it bothers me considerably to see this product imported from the United States available on Canadian shelves. I think it is disgraceful. We

have the potential in our lakes. I have 50,000 lakes in my riding alone. I am sure there are thousands of those that could support the production of wild rice.

This government and I have always stood strong and firm that nobody should touch the traditional harvesting areas, those areas where our native people have harvested over the years. That is exclusively theirs and should remain theirs. There has never been any argument about that. However, there are other areas that are not now supporting the production of wild rice that could be supporting wild rice, having a really good crop and providing the economic benefit to which the member for Lake Nipigon referred. I fully agree with him that there should be tighter regulations. There is no question about it.

I do not know if that is paddy rice or natural rice. I suspect it is paddy rice. As members will know, in the case of paddy rice they just flood an area, sow the rice, draw off the water and harvest it like any other crop. It does not have the true nutty flavour we all know wild rice has.

12:30 p.m.

I agree with the member that there should be regulations controlling the packaging and the grading. As members know—I will send these over to them—these are nice long grains, but one does get packaged wild rice that is all broken up sometimes and they still ask the premium price for it.

There is a wide range of things that can be done and should be done. We have seen the development of wild rice harvesting machines. I think there was a reluctance on the part of our native people to get involved in using these, but now they are asking for them and they are being manufactured in northern Ontario. I hope that will improve the harvesting totals in the next few years.

Our own efforts have been long and serious. We have put our money where our mouth is. I am sure members are all aware of the wild rice studies we have got going at Lakehead University with Professor Peter Lee. We were able to encourage Professor Lee to move to northwestern Ontario. He was very active in Manitoba, as members well know. I think he can be considered the world expert on wild rice at this time.

Partly because of our financial assistance to Lakehead University there is a three-year study going on now. I will send copies of the progress report—this is the second-year progress report on wild rice—to both critics so they can have

some idea of what is being done by our ministry in this area.

I should put the objective of that study, which is a \$300,000 study over a three-year period, on the record. The objective is to quantify the effects of the biological, chemical and physical factors that influence the growth of wild rice and ultimately to apply these findings on a commercial basis to increase the production of wild rice in northern Ontario.

It is interesting that we did have a seminar at Lakehead University about a year ago that was very well attended. People from all across Canada and even from the United States attended that two-day seminar, strictly on wild rice, to hear and discuss the future potential of wild rice in our area. It is discouraging when we have such potential in an area and I think our own thrusts have literally thwarted growth in that area.

Another area of interest is in Saskatchewan. Three or four years ago, there was no wild rice of any quantity grown in Saskatchewan. This year they opened up their first processing plant. I met with George McLeod, the minister responsible for northern Saskatchewan, and he was very excited about that new potential they have discovered in Saskatchewan.

When one thinks that England is now in the business of growing wild rice, as well as Germany, Norway and even Mexico, and we have been giving it away—we gave our future away in the field of wild rice.

Mr. Bradley: We must be the source of the best rice in the world.

Hon. Mr. Bernier: In Ontario; there is no question about it.

It is interesting to note that in 1980, just three years ago, the Saskatchewan government brought wild rice into that province just to feed the muskrats. They brought it in to assist in the development of a good muskrat population. Now they have their own processing plant and last year they produced over half a million pounds. They estimate that in the near future they will be producing 10 million pounds a year in Saskatchewan.

I share the members' concerns about the route we are going with wild rice. I think we are all losing. There is no question about that. I would hope in the weeks and months ahead that it could be sorted out. I know the moratorium has for all intents and purposes come to an end. There is some strong feeling within Treaty 3 that in their treaty there is recognition of their ownership of all of the wild rice.

This has been checked out very carefully both inside and outside the government by the law officers of the crown and the treaty that was signed makes no reference to wild rice. The government has taken the position that it was a part of discussions years ago, there is no question about it. It had to be part of the discussions because there are some notes available that Treaty 3 has.

The government has asked Patrick Hartt to negotiate with Treaty 3 some possible resolution to what they think should be theirs and what other parts of the population should be entitled to. Those discussions will go on now. I think there is a commitment to meet twice a month with Treaty 3 people. The Minister of Natural Resources (Mr. Pope) will be involved and I think this is slated to go on for three or four months.

I hope they can find a resolution by the end of March or April 1984. That is the target they have set for themselves in these negotiations. To really satisfy them, I think we owe it to the native people to listen to them on that specific basis as it relates to that treaty.

I have to say again that the potential for wild rice has not even been scratched. We have an open-ended opportunity with regard to the development of an improved wild rice harvest in northern Ontario. I hope the thrust will be in that direction.

On economic development, I think the member for London North touched on our efforts with regard to assisting those single-industry communities. He questioned where we were going and what we did. I think he mentioned the cabinet committee on single-resource industries, which was dissolved some time ago.

I was a member of that committee. We had some very lengthy, protracted and difficult meetings, there is no question about it. It is a problem that is common to Canada as a whole, not just to northern Ontario, where we get a nonrenewable resource of a certain size that can support a community for a specific period of time.

Atikokan is a good example. I think members have heard me say before that I was in Atikokan with the Minister of Mines at that time, the Honourable George Wardrobe, when we threw the switch some 30-odd years ago to drain Steep Rock Lake, under which was a major iron ore body. At that time, the minister and the company officials indicated they had blocked out 30 years of ore at a certain production rate. They were pretty nearly dead on. I think they were

about a year out. They lasted a year longer than they had anticipated. Actually, the day they took the first shovel out was the beginning of the end. Really, there was no question about that and they were all prepared for it.

Those are difficult things to deal with, but I think now that we have the situation in hand, I suppose we might say we are heading in a very positive direction with our community economic development program. It really flowed from that committee. It gives the Ministry of Northern Affairs a lead ministry responsibility not only for those bust communities, those communities that see their resources depleted, but the boom communities as well.

I think the excellent job my deputy did with respect to the Sudbury situation will go down in the records as a real masterpiece of assistance to co-ordinate and bring together the whole thrust of Ontario government ministries into an area that really has lessened the impact of the problems that community had. When one goes down the list of assistance to Sudbury, it is very lengthy indeed.

12:40 p.m.

However, we now have the program in place, announced and funds available. There is something like \$750,000 this year, and close to \$300,000 has flowed already in response to about 25 communities that are using the expertise of the Ministry of Northern Affairs and are looking for co-operative funding.

I had to make it plain to the communities that we were not funding industrial commissioners per se for every northern Ontario community, but that we were working closely with them and we would have funds available for the development of community profiles, to hold seminars and to work closely with the communities to see what they want.

The real potential in any community lies within that community. It cannot be imported from southern Ontario or brought in by another ministry. It is the human resources in those small communities. With the innovativeness and creativeness of northerners and with our support, we can lessen the impact of some of the disastrous effects of the past.

I think we have the bus situation in hand. We have some framework with which to work. We have some ideas we can bring forward in situations such as we have seen at Atikokan. On the boom side, we are gaining some new experience there. I think the Hemlo area is a good example where our people, under the leadership of Ernie Lane out of the Thunder Bay

office, are working on a regular basis in bringing the government departments together so they are not running off in their own separate directions.

I think if the member for Lake Nipigon were to meet with that particular group—and he is certainly free to do so—he could sit down with them to see what they are planning with respect to development at the Manitowadge intersection. There are some things they would like to see there. There are some needs, specifically by the transportation companies, such as the trucking industry coming through with part or full loads of equipment and not having any place to dump them. They have wanted to control development in that area, and I think they are going to do it. However, there are certain things they will have to allow. There is just no question about it.

They would like the development to occur in the Marathons, the White Rivers or the Manitowadge area. I might say we are working closely with the—

Mr. Stokes: It is happening now.

Hon. Mr. Bernier: It is happening now. The subdivision is in the planning process. Our people are working closely with them. It is an exciting development. I guess we will see Marathon triple in size.

I say, and I say it publicly, that I am wondering if northern creativeness was really incorporated into that planned subdivision. I had a group of developers in to see me just a few days ago who had briefly looked at the proposal. They brought this to my attention. They thought it was not creative enough, that we had a golden opportunity, particularly with the commercial area, to bring all the commercial areas together under one roof, something like what we did in Hornepayne—not the same as that, but something like that. I put them in touch with the Marathon people and with the steering committee to use the benefit of their experience. They had some ideas that I thought were excellent. I hope we will be able to see a really imaginative development occur in Marathon which will be in keeping with that growing community.

Whitedog and Grassy Narrows are areas that have been with us for some considerable time. I hear and I am very sympathetic to the needs and the problems of Grassy Narrows and Whitedog. I have something like 22 Indian reserves in my riding. There are many of them in the same situation as Grassy Narrows and Whitedog, there is no question about it. They would like

some financial infusion, some social and economic benefits.

Mr. Stokes: Surely they are different.

Hon. Mr. Bernier: I think the media and the—

Mr. Stokes: And Reed Paper.

Hon. Mr. Bernier: Everybody talks about the English-Wabigoon river system being polluted. I take exception to that. There is not one person yet who has been found to be suffering from any mercury damage—not one. They have studied it for 10 years, and the media have whipped this up into a bit of hysteria at times. Sometimes I think that if the number of people in the media had stayed away, this situation would have been resolved. I know even the native people are frustrated with the media coming in there and running stories downplaying all their efforts. It is very discouraging from their point of view.

Discussions are going on now and have been going on for some considerable time. I think we all realize that when it comes to dealing with our native people, they do not look at time the same way we look at it. We are always anxious to clean things up within a week. Three or four weeks are not that important to a native person, and they have politics within their operation, such as chief chains and council chains.

I am trying to get a resolution for a road through a reserve west of Kenora. Every time I get a new chief or different council, I get a new response. It is very difficult to deal with them. I know my colleague the Provincial Secretary for Resources Development is working very closely with the Whitedog people. We are close to a resolution there, but it has been going on for some considerable time. There has been a lot of discussion with the band and there has been consultation with the communities in the area.

I think that is the way it should be. There are some people in this House who think we should just be dealing with the one side. People have rights on both sides; everybody has rights. As a government, we have a responsibility to listen to both sides and to get input from both sides, and I am particularly pleased we have that input.

Somebody said it was the president of the Tory party who was leading that particular committee. Well, it is not; it is the reeve of Ear Falls, who did an exceptionally good job of bringing all the user groups together and taking, in a very positive way, their case right to the band. They sat down as a small executive group and worked with the Whitedog Indian band. I think they have resolved most of those issues we have heard so much about over so many years.

But there is some fine-tuning to do, some small issues to deal with. I am encouraged and I am sure that the provincial secretary, when the time comes, will tell us about it. I am not directly involved in the day-to-day negotiations on those issues.

The provincial secretary does confer with us on a regular basis, as he thinks progress is being made. I think that is the way it should be because sometimes one gets too many chiefs and not enough Indians in discussions and things seem to break down. But they are moving ahead. He told me today that his first meeting with the Grassy Narrows group will be on Monday. Chief Steve Fobister is coming down on Monday, and that will be the first contact.

I met with Steve Fobister on a number of occasions. He basically indicated to me that they were not very anxious to move at this point and they would like to see what happened at Whitedog. He thought there was something to be gained by looking at the Whitedog agreement. I think they had some bigger and broader ideas, much more encompassing and much different. He told me then what was in the Whitedog agreement or what will be in the Whitedog agreement. I am pleased that those discussions are starting.

Mr. Van Horne: Who did the minister say was meeting the chief?

Hon. Mr. Bernier: The provincial secretary.

Mr. Van Horne: That takes me back to the question I asked on the day the estimates opened. I understood that not only the minister who was just mentioned, but a second minister, the Minister of Natural Resources, were both meeting in Ottawa. Did that meeting take place back on November 14?

Hon. Mr. Bernier: I understood it did take place in Ottawa. It was a very brief meeting I am told, and I have not seen the results of the discussions at this point. The Minister of Natural Resources did tell me that, together with the Provincial Secretary for Resources Development and the other groups, he had met with Munro. I have to share the frustration of members in both parties in resolving this issue.

We have said, as a government, those two areas had to be addressed with respect to their socioeconomic problems. We have never said we were paying compensation for pollution. The government has categorically said that.

12:50 p.m.

We worked out a very good deal with Reed and Great Lakes Forest Products wherein they

would be responsible for up to \$15 million of liability and we would come in after that. In my opinion, it was something that made sense. It was accepted by all sides and now should be brought to a conclusion.

An agreement was made and funds were poured into the Great Lakes mill in Dryden. A lot of provincial dollars went in there, on a grant basis I have to admit because I was involved. The companies have a responsibility now to live up to that particular agreement. Certainly, I will join both members in asking our corporate bodies to get on with the job and accept their responsibility, as was agreed when they bought that mill. I do not think that is asking too much, because that agreement was entered into a long time ago.

Mr. Stokes: Does the minister agree with Mr. Munro when he says that if Great Lakes Forest Products does not come up with a realistic offer leading to a solution, then the federal government will have no recourse but to take political action? Does the minister agree with that?

Hon. Mr. Bernier: I think some action is necessary although I do not know what political action means. I do not know what Mr. Munro means by political action or cabinet action. I just do not know. We do have a legal agreement with Great Lakes to accept that responsibility. It may be incumbent upon this government to lean on Great Lakes to bring that to a conclusion. Then we could take the next step.

We made a major step forward when we got Reed and Great Lakes to agree they were liable up to \$15 million. One could construe that as being compensation for pollution damage. On top of that comes our socioeconomic development package which the former minister, the member for Lambton, nearly finalized with the Whitedog band. It is a good agreement, offering a wide range of benefits to those people. We were so close to signing an agreement that I think they are losing by not jumping in and reaping the benefits now. Just the interest alone on some of those projects would have some benefits at this point.

In summing up the Whitedog and Grassy Narrows situation, I think we are moving ahead. I have other areas I hope will get some attention from both levels of government, and I say that on their behalf today. I look at the Poplar Hill, Pikangicun and Lac Seul reserves, all of which need economic activity. They are trying, but we know the potential for jobs in those particular areas is very limited. We all know that. How does one create jobs where there is no base to

work from? There is just no base in some of these areas, so we have our work cut out for us.

Another area of interest to members is the problem of the hauling of pulpwood across northern Ontario. This has really captured the interest of all people using our highways across northern Ontario. Over the last several years the pulp companies have moved to what we call hot-logging—cutting in the bush, loading on the trucks and delivering to the mill. Before that they used to dump it in the rivers and the lakes and float it down in the spring and we did not have 70-foot equipment hauling 27 cords of pulpwood down our highways at speeds that sometimes we all question.

We have had some very serious accidents in my area. In a short period of time there were three fatalities directly related to pulpwood falling off a truck. One young woman, Laurie Madder, who lost both her husband and brother-in-law in one accident, has taken up the challenge and has done a remarkable job bringing together a group of citizens in the northwest to bring this to the public's attention.

There is no doubt in my mind that particularly the independent truckers were a little lax. They were using the one-chain mining system. There was just a lack of discipline in that particular group. That is changing. The Minister of Transportation and Communications (Mr. Snow) and I brought together an ad hoc committee of industry, government and labour people. A number of ministries were involved. The Ministry of Transportation and Communications was the lead ministry and we were very much involved in that committee. I think it will have some benefits. I do not know if the members have seen this. There are something like 69 recommendations in there.

Mr. Stokes: Most of them already have been implemented.

Hon. Mr. Bernier: Yes, they have. I was pleased that the committee set certain dates when these would be implemented. They really meant business. I think the industry itself is serious. It is sincere in responding to the particular problem.

I would have to admit there is a feeling in some quarters in northwestern Ontario there should be legislation. However, I have pointed out to them on a number of occasions that while we can have all types of legislation on the statute books, the actual policing and the monitoring are what really have an effect. They have gone to a self-monitoring, self-policing system. They have held meetings with the private log haulers,

the individuals. In fact, one company has the slogan, "You lose a log; you lose your job." That is the slogan it is using now. The emphasis is being put right back to the operator of the particular unit.

We ourselves have not stood still. In the report it is recommended we develop laybys along some of our major highways where the trucks can actually pull off the highway and drivers can check the loads and tires. We also have some load liners, huge drums that the trucks actually go through where the pulpwood can be brought in and the load corrected if there is any movement at all. Two chains are now being used on each load, and there are modifications coming to the trailers themselves. A number of different innovative ideas which are being tried have been recommended in this report.

I think we will resolve the situation. We will come to grips with it. It will always be active, and I think we have to accept that as a fact. Certainly, if we can stop one death, then I think we have made a remarkable step forward.

Mr. Van Horne: The minister has indicated he does not want additional legislation, which is understandable; if anything, he would like to reduce the amount of legislation. However, my understanding is that the spot-check teams, which have on them representatives from industry, from Natural Resources perhaps and also from the Ontario Provincial Police, do not have the authority to pursue a charge or to lay a charge. They make a report; then later on, if the Ministry of Transportation and Communications reads the report and decides that a charge

would be appropriate, MTC would lay the charge. Is that not a cumbersome system?

Second, is it necessary to bring in special legislation to allow charges to be laid by that team if they find something very serious? In particular, if an OPP person is there I would think we would not have to have the legislation.

Hon. Mr. Bernier: There have been charges laid. In fact, just two or three weeks ago three charges were laid in one week. The monitoring team found infractions and charges were laid immediately, albeit one of the charges was impaired driving. I was very disappointed and I personally called up the individual. Can you imagine someone in an impaired condition hauling 27 cords of pulpwood down a highway? I think it was disgraceful and I made it known publicly that I was appalled that would happen.

The monitoring teams are in place, as the member said. They are moving around northern Ontario on an unannounced basis. Both the Minister of Transportation and Communications and I have said we will only legislate in certain areas and on certain recommendations if there is not voluntary compliance. We would like to see the self-policing and monitoring system applied first, and then we will look at it somewhere down the road. We really do not want to remove the threat of legislation; we want to keep over their heads the fact that we could legislate and we may have to. For the interim, however, we will monitor and self-police.

On motion by Hon. Mr. Wells, the committee of supply reported progress.

The House adjourned at 1 p.m.

APPENDIX

ANSWERS TO QUESTIONS IN
ORDERS AND NOTICES

LAND ASSEMBLY

207. Mr. Conway: Would the Minister of Municipal Affairs and Housing please advise of the date of acquisition of the Cambridge (Waterloo) land assembly project? [Tabled May 16, 1983]

208. Mr. Conway: Would the Minister of Municipal Affairs and Housing please advise of the date of acquisition of the Bowmanville land assembly project? [Tabled May 16, 1983]

209. Mr. Conway: Would the Minister of Municipal Affairs and Housing please advise of the date of acquisition of the Brantford Township land assembly project? [Tabled May 16, 1983]

210. Mr. Conway: Would the Minister of Municipal Affairs and Housing please advise of the date of acquisition of the Carlsbad Springs-Ottawa land assembly project? [Tabled May 16, 1983]

211. Mr. Conway: Would the Minister of Municipal Affairs and Housing please advise of the date of acquisition of the Saltfleet (now Heritage Green)-Stoney Creek land assembly project? [Tabled May 16, 1983]

212. Mr. Conway: Would the Minister of Municipal Affairs and Housing please advise of the date of acquisition of the Milton land assembly project? [Tabled May 16, 1983]

213. Mr. Conway: Would the Minister of Municipal Affairs and Housing please advise of the date of acquisition of the North Pickering land assembly project? [Tabled May 16, 1983]

214. Mr. Conway: Would the Minister of Municipal Affairs and Housing please advise of the date of acquisition of the Seaton land assembly project? [Tabled May 16, 1983]

215. Mr. Conway: Would the Minister of Municipal Affairs and Housing please advise of the date of acquisition of the Oakville land assembly project? [Tabled May 16, 1983]

216. Mr. Conway: Would the Minister of Municipal Affairs and Housing please advise of the date of acquisition of the Sault Ste. Marie land assembly project? [Tabled May 16, 1983]

217. Mr. Conway: Would the Minister of Municipal Affairs and Housing please advise of the date of acquisition of the South Cayuga land

assembly project? [Tabled May 16, 1983]

218. Mr. Conway: Would the Minister of Municipal Affairs and Housing please advise of the date of acquisition of the Townsend land assembly project? [Tabled May 16, 1983]

219. Mr. Conway: Would the Minister of Municipal Affairs and Housing please advise of the date of acquisition of the Whitby North land assembly project? [Tabled May 16, 1983]

221. Mr. Conway: With respect to the Seaton land assembly, could the Minister of Municipal Affairs and Housing advise the cost of the land, interest, administration, development and other costs (recoveries), and total remaining costs as at March 31, 1982, and the current use of the land holding? [Tabled May 16, 1982]

222. Mr. Conway: Would the Minister of Municipal Affairs and Housing indicate the estimated annual yield or return to the Ontario Land Corp. from the mortgage portfolio transferred to the corporation on the amalgamation with Ontario Mortgage Corp. for 1982-83? [Tabled May 16, 1982]

223. Mr. Conway: Would the Minister of Municipal Affairs and Housing indicate the estimated annual yield or return to the Ontario Land Corp. from the mortgage portfolio transferred to the corporation on the amalgamation with Ontario Mortgage Corp. for 1983-84? [Tabled May 16, 1982]

224. Mr. Conway: Would the Minister of Municipal Affairs and Housing indicate the estimated annual yield or return to the Ontario Land Corp. from the mortgage portfolio transferred to the corporation on the amalgamation with Ontario Mortgage Corp. for 1984-85? [Tabled May 16, 1982]

229. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the extent of the acres (or number of hectares) of land held by the ministry? [Tabled May 16, 1983]

233. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the number of acres (or hectares) held by the Ontario Land Corp. at the fiscal year-end 1983? [Tabled May 16, 1983]

234. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the number of acres (or hectares) held by the Ontario Land Corp. at the fiscal year-end 1982? [Tabled May 16, 1983]

235. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the number of acres (or hectares) held by the Ontario Land Corp. at the fiscal year-end 1981? [Tabled May 16, 1983]

236. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the number of acres (or hectares) held by the Ontario Land Corp. at the fiscal year-end 1980? [Tabled May 16, 1983]

237. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the number of acres (or hectares) held by the Ontario Land Corp. at the fiscal year-end 1979? [Tabled May 16, 1983]

238. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the number of acres (or hectares) held by the Ontario Land Corp. at the fiscal year-end 1978? [Tabled May 16, 1983]

239. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the number of acres (or hectares) held by the Ontario Land Corp. at the fiscal year-end 1977? [Tabled May 16, 1983]

240. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the number of acres (or hectares) held by the Ontario Land Corp. at the fiscal year-end 1976? [Tabled May 16, 1983]

241. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the number of acres (or hectares) held by the Ontario Land Corp. at the fiscal year-end 1975? [Tabled May 16, 1983]

242. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the number of acres (or hectares) held by the Ontario Land Corp. at the fiscal year-end 1974? [Tabled May 16, 1983]

243. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the number of acres (or hectares) held by the Ontario Land Corp. at the fiscal year-end 1973? [Tabled May 16, 1983]

244. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the number of acres (or hectares) held by the Ontario Land Corp. at the fiscal year-end 1972? [Tabled May 16, 1983]

245. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the number of acres (or hectares) held by the Ontario

Land Corp. at the fiscal year-end 1971? [Tabled May 16, 1983]

246. Mr. Conway: Would the Minister of Municipal Affairs and Housing indicate the number of acres (hectares) of land acquired by the Ontario Land Corp. upon that corporation's merger or amalgamation with the Ontario Mortgage Corp.? [Tabled May 16, 1982]

247. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise of the numbers of acres sold by Ontario Land Corp. in the fiscal year 1982-83, indicating from which projects lands were sold, for what price, and what stage of development, from "0" for raw land to "9" Ontario Land Corp. commercial leases? [Tabled May 16, 1983]

249. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise of the numbers of acres sold by Ontario Land Corp. in the fiscal year 1980-81, indicating from which projects lands were sold, for what price, and what stage of development, from "0" for raw land to "9" Ontario Land Corp. commercial leases? [Tabled May 16, 1983]

250. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise of the numbers of acres sold by Ontario Land Corp. in the fiscal year 1979-80, indicating from which projects lands were sold, for what price, and what stage of development, from "0" for raw land to "9" Ontario Land Corp. commercial leases? [Tabled May 16, 1983]

251. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise of the numbers of acres sold by Ontario Land Corp. in the fiscal year 1978-79, indicating from which projects lands were sold, for what price, and what stage of development, from "0" for raw land to "9" Ontario Land Corp. commercial leases? [Tabled May 16, 1983]

252. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the expenses of the Ontario Land Corp. charged to or absorbed by the Ministry of Municipal Affairs and Housing for 1982-83? [Tabled May 16, 1983]

253. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the expenses of the Ontario Land Corp. charged to or absorbed by the Ministry of Municipal Affairs and Housing for 1981-82? [Tabled May 16, 1983]

254. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the expenses of the Ontario Land Corp. charged to

or absorbed by the Ministry of Municipal Affairs and Housing for 1980-81? [Tabled May 16, 1983]

255. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the expenses of the Ontario Land Corp. charged to or absorbed by the Ministry of Municipal Affairs and Housing for 1979-80? [Tabled May 16, 1983]

256. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the expenses of the Ontario Land Corp. charged to or absorbed by the Ministry of Municipal Affairs and Housing for 1978-79? [Tabled May 16, 1983]

257. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the expenses of the Ontario Land Corp. charged to or absorbed by the Ministry of Municipal Affairs and Housing for 1977-78? [Tabled May 16, 1983]

258. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the expenses of the Ontario Land Corp. charged to or absorbed by the Ministry of Municipal Affairs and Housing for 1976-77? [Tabled May 16, 1983]

259. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the expenses of the Ontario Land Corp. charged to or absorbed by the Ministry of Municipal Affairs and Housing for 1975-76? [Tabled May 16, 1983]

260. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the expenses of the Ontario Land Corp. charged to or absorbed by the Ministry of Municipal Affairs and Housing for 1974-75? [Tabled May 16, 1983]

261. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the expenses of the Ontario Land Corp. charged to or absorbed by the Ministry of Municipal Affairs and Housing for 1973-74? [Tabled May 16, 1983]

262. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the expenses of the Ontario Land Corp. charged to or absorbed by the Ministry of Municipal Affairs and Housing for 1972-73? [Tabled May 16, 1983]

263. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the expenses of the Ontario Land Corp. charged to or absorbed by the Ministry of Municipal Affairs and Housing for 1971-72? [Tabled May 16, 1983]

265. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the Whitby North land assembly project in each of the fiscal years, commencing October 1, 1978, through to March 31, 1983? [Tabled May 16, 1983]

266. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the Townsend land assembly project in each of the fiscal years, commencing October 1, 1978, through to March 31, 1983? [Tabled May 16, 1983]

267. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the South Cayuga land assembly project in each of the fiscal years, commencing October 1, 1978, through to March 31, 1983? [Tabled May 16, 1983]

268. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the Sault Ste. Marie land assembly project in each of the fiscal years, commencing October 1, 1978, through to March 31, 1983? [Tabled May 16, 1983]

269. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the Oakville land assembly project in each of the fiscal years, commencing October 1, 1978, through to March 31, 1983? [Tabled May 16, 1983]

270. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the Seaton land assembly project in each of the fiscal years, commencing October 1, 1978, through to March 31, 1983? [Tabled May 16, 1983]

271. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the North Pickering land assembly project in each of the fiscal years, commencing October 1, 1978, through to March 31, 1983? [Tabled May 16, 1983]

272. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the Milton land assembly project in each of the fiscal years, commencing October 1, 1978, through to March 31, 1983? [Tabled May 16, 1983]

273. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the Saltfleet (now Heritage Green)-Stoney Creek land assembly project in each of the fiscal years, commencing October 1, 1978, through to March 31, 1983? [Tabled May 16, 1983]

274. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the Carlsbad Springs-Ottawa land assembly project in each of the fiscal years,

commencing October 1, 1978, through to March 31, 1983? [Tabled May 16, 1983]

275. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the Cambridge (Waterloo) land assembly project in each of the fiscal years, commencing October 1, 1978, through to March 31, 1983? [Tabled May 16, 1983]

276. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the Brantford Township land assembly project in each of the fiscal years, commencing October 1, 1978, through to March 31, 1983? [Tabled May 16, 1983]

277. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the Bowmanville land assembly project in each of the fiscal years, commencing October 1, 1978, through to March 31, 1983? [Tabled May 16, 1983]

279. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the Whitby North land assembly project from the date of acquisition until October 1, 1978? [Tabled May 16, 1983]

280. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the Townsend land assembly project from the date of acquisition until October 1, 1978? [Tabled May 16, 1983]

281. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the South Cayuga land assembly project from the date of acquisition until October 1, 1978? [Tabled May 16, 1983]

282. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the Sault Ste. Marie land assembly project from the date of acquisition until October 1, 1978? [Tabled May 16, 1983]

283. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the Oakville land assembly project from the date of acquisition until October 1, 1978? [Tabled May 16, 1983]

284. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the Seaton land assembly project from the date of acquisition until October 1, 1978? [Tabled May 16, 1983]

285. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the North Pickering land

assembly project from the date of acquisition until October 1, 1978? [Tabled May 16, 1983]

286. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the Milton land assembly project from the date of acquisition until October 1, 1978? [Tabled May 16, 1983]

287. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the Saltfleet (now Heritage Green)-Stoney Creek land assembly project from the date of acquisition until October 1, 1978? [Tabled May 16, 1983]

288. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the Carlsbad Springs-Ottawa land assembly project from the date of acquisition until October 1, 1978? [Tabled May 16, 1983]

289. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the Cambridge (Waterloo) land assembly project from the date of acquisition until October 1, 1978? [Tabled May 16, 1983]

290. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the Brantford Township land assembly project from the date of acquisition until October 1, 1978? [Tabled May 16, 1983]

291. Mr. Conway: Would the Minister of Municipal Affairs and Housing advise the interest costs charged to the Bowmanville land assembly project from the date of acquisition until October 1, 1978? [Tabled May 16, 1983]

Hon. Mr. Bennett: Subsequent to the tabling of the interim answers in this matter and in endeavouring to answer the questions posed by the honourable member, it became evident that a considerable diversion of both effort and resources would be required in order to table a detailed summary of the information concerned.

Thus, while it will not be possible to provide a consolidated response, the ministry is eager to assist the querier in obtaining the material in question.

I would propose, therefore, that the member or his representative arrange through my staff to visit the ministry library for the purpose of viewing the available data in this regard.

WINTARIO GRANTS

309. Ms. Bryden: Will the Ministers of Citizenship and Culture and Tourism and Recre-

ation provide the House with lists of all Wintario grants awarded to individuals and organizations in each provincial electoral district showing the names of the recipients, the date of approval, the purpose of the grant and the amount of the grant for the period from April 1, 1977, to March 31, 1983? [Tabled June 13, 1983]

See sessional paper 223.

MOOSE HUNTING REGULATION

330. Mr. Philip: Will the minister advise the House as to the reason the moose hunting season was advanced one week this year to include the Thanksgiving weekend? This action has caused considerable problems for families who had planned to spend the weekend in Ontario's northland. This necessitated families restricting their outings into the woods etc. Would the minister advise the House if he has received any letters or other communications from concerned citizens on the matter? [Tabled October 21, 1983]

Hon. Mr. Pope: The moose season was lengthened this year in order to provide for more early season hunting opportunities and in order to prevent having the season opening coincide with the freeze-up conditions, which have in recent times created dangerous situations for hunters.

The tradition developed in the 1950s and 1960s was to have the mid-northern moose season open around October 1, and the far northern season around September 15. As the moose herd began to decline, part of the attempt to stem the decline generally was to set opening dates later.

The new selective harvest system is designed to make the hunter carefully select his/her quarry. This approach renders the hunter's efficiency less than it was before and has allowed the return to traditional moose season openings.

To our knowledge, no complaints have been received concerning the season adjustment.

CENTRES OF APPLIED TECHNOLOGY

331. Mr. Foulds: How much of the \$50 million from BILD promised in the budget for investment in the new technology centres has been spent as of October 1, 1983? How many full-time, part-time or contract jobs have been created? What are the salary levels etc., for each of these jobs? [Tabled October 24, 1983]

Hon. Mr. Grossman: Of the more than \$50 million allocated by BILD for technology initia-

tives during 1983-84 in the May 1983 budget, a total of \$23 million was allocated to the new technology centres (advanced manufacturing centre including both CAD/CAM and robotics, resources machinery centre, automotive parts technology centre, farm equipment and food processing technology centre and microelectronics centre). As of October 1, \$5.1 million has been spent by these five centres. As of October 1, there will be 118 full-time employees of the five centres and one part-time employee. The salaries of these employees on an annualized basis will amount to \$4.3 million.

FOREST FIRES

334. Mr. Wildman: Has the Ministry of Natural Resources carried out any economic impact studies of the effects of the depletion of timber and wildlife resources as a result of the forest fires in recent years on the Indian community of Grassy Narrows? If so, would the minister provide the conclusions of any and all of these economic analyses? [Tabled October 28, 1983]

Hon. Mr. Pope: The Ministry of Natural Resources has undertaken a thorough analysis of the effects of recent large fires, specifically Kenora 73/83 and Kenora 23/80, on timber resources. These studies have been directed towards evaluating the impact of volume losses and age class redistribution on forest management and allowable cuts. There have, however, been no studies to determine the impact on Grassy Narrows in particular.

In any case, we do not anticipate any negative impact on logging activity by Grassy Narrows band members in view of the low volume of timber currently being cut on their licence. Once the licence expires (1984), it is estimated that there are sufficient volumes available in the Boise Cascade licence to enable the band to continue to harvest at its present level or better.

With respect to wildlife resources, the fires have been judged to have had little or no impact. No traplines held by band members were affected by Kenora 23 and domestic hunting opportunities are sufficiently available in areas other than those impacted by the fire.

BAITFISH DEALERS

335. Mr. Wildman: Would the Minister of Natural Resources confirm that the ministry licenses dealers to sell live bait who are not licensed to do business by the Ministry of Industry and Trade or the Ministry of Tourism and Recreation? If so, why does the Ministry of

Natural Resources continue this practice? [Tabled October 28, 1983]

Hon. Mr. Pope: The Ministry of Tourism and Recreation requires that all individuals or companies register if they provide accommodation consisting of four or more rental units.

The Ministry of Consumer and Commercial Relations requires that all individuals register if they are in the trading of goods, manufacturing commodities, or mining. An individual who conducts a business under his personal name and is not incorporated is excluded.

Most of the baitfish dealer operations are small, operating out of a home and under the individual's name. Thus there is no legislation requiring them to register their business.

Many sporting goods and grocery store operators have a baitfish dealer's licence, with baitfish as a sideline to the main business. These operations are registered with the Ministry of Consumer and Commercial Relations as they are concerned with the trading of goods. The

large incorporated baitfish dealers are, of course, required to be registered.

The Ministry of Natural Resources licenses operations only where the operators are residents of Ontario; the operators may be individuals or companies. The licence authorizes the licensee to conduct retail sales of baitfish only, as required by the Ontario Fishery Regulations under federal legislation.

ROYAL ONTARIO MUSEUM

341. Mr. Grande: Will the Minister of Citizenship and Culture table the Royal Ontario Museum's attendance statistics for the years 1979, 1980, 1981, 1982, 1983, under these categories: (a) adult fare, (b) children's fare, and (c) school groups? [Tabled November 1, 1983]

Hon. Ms. Fish: Attendance statistics for the Royal Ontario Museum are not maintained in the categories specified. The information available is as follows:

	1979*	1980*	1981*	1982*
Public admissions	594,590	378,400	235,095	719,518
School groups	160,657	93,548	46,449	173,410

*The ROM main building was partially closed in December 1979 and reopened in September 1982.

*Children constitute approximately 20 per cent of admissions in this category.

The projected total attendance for 1983 is one million.

342. Mr. Grande: Will the Minister of Citizenship and Culture table the Royal Ontario Museum's budget, actual expenditure and income on (a) In Search of Alexander, and (b) Treasures of the Tower of London? Did these two ventures end up in a deficit situation and, if so, what was the extent of the deficit ROM had to absorb? [Tabled November 1, 1983]

Hon. Ms. Fish: (a) In Search of Alexander: budget, \$1,785,000; expenditures, \$1,160,153; income, \$885,552; deficit, \$274,601;

(b) Treasures of the Tower of London: budget, \$1,140,000; expenditures, \$868,169; income, \$379,658; deficit, \$488,511.

For the two special exhibitions, total expendi-

tures exceeded total direct revenues by \$763,112.

ART GALLERY OF ONTARIO ONTARIO SCIENCE CENTRE

343. Mr. Grande: Will the Minister of Citizenship and Culture table the attendance statistics under these categories: (a) adult fare, (b) children's fare, and (c) school groups, for the Art Gallery of Ontario and the Ontario Science Centre, for the years 1979, 1980, 1981, 1982, 1983 (projected)? [Tabled November 1, 1983]

Hon. Ms. Fish: Attendance statistics for the Art Gallery of Ontario and the Ontario Science Centre are not maintained in the categories specified. The information available is as follows:

	1979	1980	1981	1982
General admissions	1,000,000	675,000	316,000	394,000
Educational tours	35,000	29,000	38,000	36,000

The projected total attendance for 1983 is 436,000 persons.

1. Art Gallery of Ontario:

2. Ontario Science Centre:

	1979	1980	1981	1982
Adults, youths, families, seniors	1,060,696	1,021,937	994,969	1,317,065
Children	161,206	154,126	147,138	140,390
School groups	187,824	187,063	183,241	161,263

The projected total attendance for 1983 is one million persons.

TEMPORARY SALES TAX EXEMPTIONS

346. Mr. Foulds: Would the minister indicate the loss of revenue for the fiscal year 1983-84 caused by the temporary tax exemption for major household appliances in effect from May 11 to August 9, 1983? Would the minister indicate the kinds and numbers of additional major household appliances that were (a) purchased, and (b) produced in Ontario as a result of this tax exemption? Would the minister estimate the number of direct and indirect full-time and part-time jobs created (a) in Ontario, and (b) in Canada because of this tax exemption? [Tabled November 2, 1983]

Hon. Mr. Grossman: The estimated retail sales tax revenue loss for the fiscal year 1983-84 as a result of exempting major household appliances from May 11 to August 8 under the temporary sales tax program is \$12 million.

The appliances affected by the program include electric or gas ranges, refrigerators, freezers, dishwashers, clothes washers and clothes dryers.

Major household appliance stores in Ontario report retail sales increases of 60 per cent over the exemption period compared to retail sales increases of 23 per cent in the rest of Canada.

Manufacturers' shipments of individual appliances during the exemption period are as follows:

Washing machines: Domestic manufacturers shipped 54,249 units to Ontario, which represents a 42 per cent increase over the same period in 1982, compared to an eight per cent increase for the rest of Canada.

Clothes dryers: Domestic manufacturers shipped 39,872 units to Ontario, representing a 52 per cent increase over year earlier levels, compared to an increase of only 11 per cent for the rest of Canada.

Freezers: Domestic manufacturers shipped 63,851 units to Ontario, representing an increase of 14 per cent over year earlier levels, compared to one per cent for the rest of Canada.

Refrigerators: Domestic manufacturers shipped 80,662 units to Ontario, representing a 67 per cent increase over the same period in 1982,

compared to only 17 per cent for the rest of Canada.

Ranges and dishwashers: Statistics on manufacturers' shipments are not available at this time.

Employment figures are available only on a Canada-wide basis, although most existing and new jobs are in Ontario. In June 1983 employment in major appliance manufacturing stood at 4,700. This jumped to 5,300 in July, the most recent month for which figures are available. These figures relate to jobs directly related to manufacturing. The program also had a positive employment impact on other aspects of this industry such as sales and transportation.

347. Mr. Foulds: Would the minister estimate the loss of revenue for the fiscal year 1983-84 caused by the withdrawal of the seven per cent tax on audio and video educational publications purchased by school boards, schools, universities and public libraries announced in the provincial budget May 10, 1983? Would the minister indicate the kind, amount and the source of said publications purchased in Ontario up until October 31, 1983, as a direct or indirect result of this tax exemption? Would the minister estimate the number of jobs created (a) in Ontario, and (b) in Canada as a result of this tax withdrawal? [Tabled November 2, 1983]

Hon. Mr. Grossman: The estimated sales tax revenue loss for the fiscal year 1983-84 attributable to this exemption is \$300,000.

Educational publications purchased exempt from tax include eight- and 16-millimetre films, audio-video tapes, audio tapes and records, filmstrips, slides and overheads.

An assessment of the impact of this exemption cannot be completed until later in the school year. However, it is relevant to note that:

Almost 80 per cent of Canadian firms that produce audio and video publications are located in Ontario. They employ about 160 people.

The Educational Media Producers and Distributors Association reports that during the five-month period since the reinstatement of the sales tax exemption, sales have increased over 1982 levels.

REMEMBRANCE DAY

355. Mr. Foulds: Would the minister indicate how many boards of education have declared November 11, 1983, as a professional development day this year? Is this contrary to the minister's new policy regarding November 11? [Tabled November 8, 1983]

Hon. Miss Stephenson: A provincial survey of school year calendars submitted by the school boards indicates that no board has declared November 11, 1983, as a professional development day. There are, however, two individual schools in the province where professional activities were scheduled for November 11,

1983, and this is indeed contrary to the intent of the legislation.

The director of education for each of the boards concerned has been contacted and an explanation has been requested as to why the school year plans for these two particular schools were approved.

INTERIM RESPONSE TO PETITION

Sessional paper 205.

Hon. Mr. Snow: In order to properly assess the requests contained in this petition, additional time is required before a response can be provided. A response will be available for tabling on or about November 29, 1983.

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No. 93

Hansard

Official Report of Debates

Legislative Assembly of Ontario

Third Session, 32nd Parliament
Monday, November 28, 1983
Afternoon Sitting

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

Monday, November 28, 1983

The House met at 2 p.m.

Prayers.

GREY CUP

Hon. Mr. Wells: Mr. Speaker, as the House is probably well aware, the Premier (Mr. Davis) is at this time winging his way back from a very enjoyable visit to the city of Vancouver. It is a very great pleasure to extend congratulations on behalf of all the members of this House, the government and the people of Ontario to the Toronto Argonauts, winners of this year's Grey Cup.

The dramatic and thrilling come-from-behind victory over the BC Lions we all watched very eagerly yesterday was a credit to every member of the Double Blue and it has provided the city of Toronto with its first national football championship after a wait of 31 years. We do not intend to wait another 31 years.

I know all Canadians, regardless of which team they supported in yesterday's contest, can agree that the game itself exhibited the surprises and qualities that have made the Grey Cup one of this country's great sporting events. It is very appropriate that the exciting season enjoyed by all teams of the Canadian Football League was capped by such a closely fought game which involved the best representatives of the east and the west.

The members of this House and I would like to congratulate everyone associated with this long-awaited Argo victory, the management, coaches, players and certainly—I think this has to be emphasized—the loyal fans.

Mr. T. P. Reid: You should wear that helmet in cabinet meetings.

Hon. Mr. Wells: Yes, I need it. I cannot get it on. How do you open it?

I always wondered if you could speak through one of these things. The answer is you can.

Mr. T. P. Reid: It improves your looks if nothing else.

Mr. Conway: Bob Stanfield was defeated for less.

Mr. Speaker: Order.

Hon. Mr. Wells: Again to underline that we want, in this House—

Interjections.

Hon. Mr. Wells: I am glad the players can hear the signals better than the members of this House.

Mr. Speaker, I know you and the members of this House would want to congratulate the management, the coaches, the players and, as I said a few minutes ago, certainly the loyal fans of this city and province who for over three decades have kept alive this hope that has now become a reality.

We are all very happy with this Argo victory. We are also very happy that after a seven-year absence the Grey Cup is back in Ontario where it belongs.

Mr. Peterson: Mr. Speaker, I join in the enthusiasm of the House leader. This is truly a remarkable day. My colleagues who have been in the House a little longer than I tell me that in 20 years they have never seen the House leader prepared to mess up his hair for the public good. I think that is an extraordinary development in itself.

I should clear up one minor misconception. The House leader said the Premier was coming back today. Actually, the Premier headed for the airport on the Urban Transportation Development Corp. system last night after the game and has not been heard from since.

I join with the House leader in expressing the good wishes of my colleagues and our congratulations to the Argonauts, the Double Blue, on this truly outstanding victory. All the commentators said it was a victory for both sides, closely fought and well played by both teams. Indeed, Toronto did come out on the winning end of the equation and we are all delighted.

It shows that after 31 years, patience and perseverance do pay off. Given the fact that the Argos have spent that time in the wilderness, it gives some hope to my colleagues and me. Quality always triumphs, even if it takes 30 or 40 years to demonstrate that. It was truly a red-letter day for the Double Blue.

Mr. Rae: Mr. Speaker, the members of our party have no difficulty at all identifying with

the Argonauts. Having watched them over many years and seen their performance, which in some years was not so good, in some years better and this year finally triumphant, I think that is something the New Democrats can very easily identify with. We take a great deal of pleasure in celebrating this victory after 31 years in the relative football wilderness.

I understand the Treasurer (Mr. Grossman) attempted to put the helmet on but his head was far too big and it did not fit.

Hon. Mr. Grossman: I couldn't find the hole.

Mr. Rae: I hope the helmet will be passed around during question period from minister to minister as each attempts to respond to various questions. Obviously, a great many of them have been playing without a helmet for far too long.

Mr. Speaker: I think this augurs well for this chamber. It may very well be the only unanimous decision reached here this afternoon.

STATEMENTS BY THE MINISTRY

Hon. G. W. Taylor: Mr. Speaker, I mean no disrespect, but do you mind if I face the cameras as I make my statement today? My mother is tired of watching my little bald spot at the back of my head. The member for Sudbury East (Mr. Martel) says the cameras disappear once they get on, but do you mind if I talk facing their way so my mother might see me make my statement to the House?

Interjections.

Hon. G. W. Taylor: Is it all right, Elie? All right.

Mr. Speaker: Order.

2:10 p.m.

Hon. G. W. Taylor: May I continue, Mr. Speaker? I did not want to disrupt the House this much.

CRIME PREVENTION

Hon. G. W. Taylor: Mr. Speaker, I am pleased to advise honourable members that my ministry has a number of initiatives under way relating to National Crime Prevention Week, which began Sunday.

Crime prevention has been an important responsibility of organized police forces since their inception. We are now just really beginning to realize, however, how effective prevention rather than cure can be. That is why the Ontario Police Commission has designated Mr. John Slavin, an instructor at the Ontario Police

College, as crime prevention liaison officer for the police forces of Ontario.

Mr. Slavin is now busy identifying and cataloguing effective crime prevention programs currently being conducted by the various municipal police forces and the Ontario Provincial Police. At the same time he will be making a needs assessment to study and to identify what further resources must be developed.

Among the programs being examined will be the Crime Stoppers program initiated first in Ontario by the Hamilton-Wentworth Regional Police force. This program features dramatizations of actual crimes on television with a local citizens' committee offering rewards for tips that lead to the arrest of those responsible. The crime prevention liaison officer will also be evaluating programs like Neighbourhood Watch, the Block Parents program, Operation Aware, Operation Identification, and You and the Law.

Another successful crime prevention program has been Operation Provident, which adapts the marking of personal property to the needs of the business community. It involves the establishment of a central numbering system from which a sequential identification number can be allotted to a particular organization or business. The assigned number, properly filed, is readily available to law enforcement officials for quick and easy reference.

The Ministry of the Solicitor General is also involved in a pilot project designed to provide assistance to the victims of crime in four Ontario municipalities or regions: London, Timmins, Waterloo and Hamilton-Wentworth.

The Ontario Provincial Police is also active in the crime prevention field, including a joint project with the Ministry of Education called VIP: values, influences and peers. This project involves educating public school children about the dangers involved in a number of criminal areas ranging from shoplifting to drug abuse.

I would urge all members to familiarize themselves with the crime prevention efforts under way in their own ridings so that they may make their constituents aware of how they might participate in these programs as the provincial Solicitor General is participating with the federal Solicitor General in National Crime Prevention Week.

EQUAL OPPORTUNITY IN ATHLETICS

Hon. Mr. Ramsay: Mr. Speaker, today I am tabling the first volume of the report of the Task Force on Equal Opportunity in Athletics.

As honourable members will recall, this task

force is being chaired by John Sopinka, QC, an eminent counsel with a significant background—Interjections.

Mr. Speaker: Order, please.

Mr. Peterson: Mr. Speaker, since members of the cabinet are worried about reflections from their heads to the television cameras, I think you should extend to all members of the cabinet the same privilege to face the cameras when they are making statements.

Mr. Speaker: I was willing to do that, but he did not ask.

Hon. Mr. Ramsay: Mr. Speaker, there will come a day, and it will be shortly, when the Leader of the Opposition (Mr. Peterson) will have the same problems that the Solicitor General and I have.

Mr. Sopinka is being advised in his work by two distinguished Canadian athletes of international stature, Ms. Cindy Nicholas, the marathon swimmer, and Ms. Debbie Van Kiebekel, the pentathlete.

The task force has been asked to recommend measures that will maintain equality of opportunity for the sexes in athletics in Ontario or help achieve such equality where it may not exist.

The task force is conducting its work in three phases. The first phase concerns amateur athletics in the community. The second phase concerns athletics in elementary and secondary schools. The third phase concerns professional athletics and athletics at universities and community colleges.

The report that I am tabling today concerns phase 1 alone; that is, amateur athletics at the community level.

The task force makes 24 recommendations which will be of significant interest to the Minister responsible for Women's Issues (Mr. Welch) and which involve the Ministry of Tourism and Recreation and the Ministry of Consumer and Commercial Relations as well as the Ministry of Labour.

Honourable members will be interested to note that the report states there has been integration in recreational athletics at the community level and that such integration should be encouraged. The report goes on to say that when it comes to competitive athletics at the community level, complete integration should be encouraged but not legislated for the immediate future, provided that equality of competitive opportunity is available.

The report also recommends that a co-ordinator of equal opportunity in athletics be appointed to decide upon equality questions. It further states that the decisions of the co-ordinator would be subject to appeal to a board of inquiry established under the Human Rights Code. The board's findings would be binding.

I hope this first volume of the report of the Task Force on Equal Opportunity in Athletics will stimulate a good bit of public discussion. I look forward to receiving comment from all interested parties in the community.

I would also point out that Mr. Sopinka, the author of the report, will be available downstairs in the press room at 3:30 this afternoon to answer any questions there might be from the opposition or government members.

I look forward to the report on the second and third phases of the task force's work.

FRENCH LANGUAGE SERVICES

Mr. Martel: Mr. Speaker, on a point of order: Bill 100 has now been received and has apparently been printed in both languages, French and English. I commend the Attorney General (Mr. McMurtry) for having it done. Is it the government's intention now to introduce all legislation in both languages so the people of Ontario can follow the legislation in the language of their choice?

Mr. Speaker: I think that may more properly be asked at the proper time.

Mr. Martel: Since you are the Speaker and run this House—

Mr. Speaker: Obviously the minister is not going to make a statement.

Mr. Martel: You are responsible for the printing.

Mr. Speaker: That is right. If you would notice, you will see at the bottom of this that it has been published by the Ministry of the Attorney General. With all respect, we do our own printing. If you would take the time to look at the bill, you will see that the Legislative Assembly does the printing.

Mr. Martel: I have.

Mr. Speaker: This has been done as a service to the people of Ontario by the Attorney General.

Mr. Martel: All I was asking is if you are aware of this and if there is an intention to do this for all bills for the service of the francophone community in Ontario?

Mr. Speaker: No.

ORAL QUESTIONS

ONTARIO STUDENT LOANS

Mr. Peterson: Mr. Speaker, I have a question for the Minister of Education. The minister was recently asked to grant an extension to unemployed university and community college graduates who are due to start the repayment on their Ontario student loans. I gather her response was, "We cannot afford it and you just cannot do it."

How much would it cost to grant that extension? Why can she not do it?

Hon. Miss Stephenson: Mr. Speaker, I would remind the honourable Leader of the Opposition that, indeed, Ontario would never have had to get into the loan business at all had it not been for the dereliction of duty of the federal government, which for more than 11 years made no modification at all to the Canada student loan program until July 1983. At that time, the government of Canada was contributing something less than 17 per cent of the total student support across Canada.

This year, they have finally made the modifications we have been asking for as ministers of education from coast to coast for the past nine years. As a part of that, there was an action taken which defers the requirement for repayment of loans for students who have difficulty with employment during this period of recession. It is a short-term program under the modification of the Canada student loan.

When the Canadian Federation of Students—Ontario asked me if I were considering doing the same thing in Ontario, I said very clearly I was not because the grant program in Ontario is of far more importance to students at this time than remission of loan to a small number of students in Ontario.

2:20 p.m.

This repayment system in Ontario is of such quality that the students can repay at a very low rate as long as they are perceived to be committed to repayment and they can be carried quite effectively through a period of unemployment.

Mr. Peterson: I will ask the minister the same question again. How much would it cost to grant the extension? Does she know the figures?

Hon. Miss Stephenson: I do not have the figure at hand, but I shall certainly get it for the member.

Mr. Peterson: Is the minister aware that to grant the extension as per the request would

cost about \$150,000 for a year and about \$50,000 for the remainder of this fiscal year? This Legislature has been rife with horror stories of her colleagues and friends wasting all sorts of taxpayers' money for far less worthwhile projects than this.

Why would the minister not take it upon herself to grant this extension for some \$50,000, at least until the end of the year, to grant aid to these unemployed young people? Not only is she not doing anything to find them work, she is now trying to bankrupt them. Surely, for \$50,000, that is not an unreasonable request.

Hon. Miss Stephenson: The member obviously needs the helmet to do something with his rattled brains. In this province we have initiated the only effective work project for the last four years for graduates of universities and colleges in Canada. The amount of money being spent this year is \$17 million. It has been enhanced by an additional program which the Treasurer (Mr. Grossman) introduced several weeks ago. We are indeed spending considerable money to try to make sure that students who have graduated have some employment opportunities. Also, we have ensured that students in this province from families who simply do not have enough money to attain a degree are granted that money without having to repay it.

I am not sure where the member gets his mathematics. I am never really sure about his mathematical skills after some of the things I have heard him say. However, I shall investigate whether his estimate is factual or not and report to him.

Mr. Peterson: I would like to thank whoever sent me this helmet. I am sure it will not fit the minister, but she may want to use it to carry it in. Please give it to the Minister of Education.

ACID RAIN

Mr. Peterson: Mr. Speaker, I have a question for the Minister of the Environment. With respect to the acid rain discussion, I am sure the minister is aware of how important Ontario's position and reaction are in terms of the international discussions on controlling acid gas emissions.

Is he aware that his performance and his predecessor's performance as Ministers of the Environment have indeed left the impression with a number of our colleagues in the United States that Ontario is not doing its share and has not been very tough on these issues?

I refer to a letter the minister received from

Congressman Dingell, the chairman of the energy committee of the House of Representatives, who said: "You seem to leave the impression, at least, that Canadian and Ontario government actions have forced, through government regulations which you call the strongest legislative means available to you, these reductions, while in fact they appear to be no more stringent than what Inco and Ontario Hydro had already undertaken voluntarily."

Is the minister aware that his performance and his predecessor's performance are very much suspect in terms of his clamping down on acid gas emissions and that his performance is retarding the international debate?

Hon. Mr. Brandt: Mr. Speaker, those allegations are totally unfounded and totally untrue. I think the numbers the Leader of the Opposition should be referring to are those that relate to the specific gains which have been made by Ontario with respect to this whole question.

I think it should be put in his particular notes that over the last decade Ontario has reduced acid gas emissions by some two million tons annually. Ontario Hydro, as he well knows, is under an order now to reduce SO₂ emissions from 1980 to 1990, in that decade, by some 43 per cent, which is another 200,000 tons. I could go on and on to indicate to the member the kinds of gains we have already made.

During the recent trip I made with the Premier (Mr. Davis) to Indianapolis, on no occasion did anyone from the jurisdictions of the United States indicate to us he was anything other than rather startled and amazed by the very substantial gains that have been made by Ontario.

We have not made these types of gains just on a voluntary basis. A series of orders has been placed on Inco, which I have specifically outlined for Congressman Dingell from Michigan in a very extensive letter I sent to him, and which I shared with the critics in the Liberal Party and the New Democratic Party so they would know exactly and specifically the kind of cuts we have made.

This, in my view, is one of the most serious environmental issues our province and this country have had to come to grips with. I have not dealt with it in a partisan way. I have dealt with it with the bottom line of accomplishing the best environment we can get for Ontario. The only way we can achieve that is through the co-operation of the United States.

Mr. Peterson: In spite of the minister's good intentions and the very fine speeches he makes,

he must be aware that Ontario Hydro's acid gas emissions have gone up by 15 per cent between 1981 and 1982, and they are probably going to go up again this year. His performance is not matching his promise. How does the minister maintain credibility in those international discussions with Congressman Dingell, Senator Ford and a variety of others, when the performance of the government crown agency of Ontario Hydro shows the acid gas emission level is going up year by year?

Hon. Mr. Brandt: Even with some unexpected additional burden placed on some of the coal-fired plants this year, I want to assure the Leader of the Opposition that Ontario Hydro will meet and in all probability will exceed the control order that is placed on it at this time. That is somewhat below 500,000 tons—I could get the exact figure. Hydro is on line to achieve the kind of targets we have established for it over the course of the next decade. I have no doubt whatever, looking at the record of Ontario Hydro, it will achieve the kinds of levels of emission controls we have set in place for it.

Mr. Rae: Mr. Speaker, like it or not, the minister surely knows that Ontario Hydro's decision to renege on its earlier commitment to put in scrubbers has created a credibility problem for Ontario and for Canada among some congressmen in the United States, who admittedly already have an interest in resisting legislation on acid rain.

Given that discussions with the United States appear to have stalled, and because of the election approaching in the United States the possibilities for action in Congress now appear to be very limited indeed, would the minister be prepared to move further in pressing for unilateral reductions in Canada and in Ontario with respect to Hydro and Inco in order to get at the problem, which is simply that we cannot afford to wait for the United States? Does the minister not see a danger in constantly waiting for something to happen in the United States, when this really is the equivalent of our being asked to shoot ourselves in the feet, since we have the possibility of further reducing our own emissions here?

Hon. Mr. Brandt: Mr. Speaker, as the leader of the third party is well aware, the control programs that are required to reduce SO₁ emissions are extremely expensive and are not going to be carried out by any jurisdiction anywhere in the world overnight. I acknowledge the question raised was directed at why

Ontario Hydro has decided not to proceed with the use of scrubbers. The federal government and virtually every province, particularly the eastern provinces of Canada, involved in the acid rain strategy for Canada have agreed that what we have to look at is the least-cost option in terms of SO₂ abatement programs, and the least-cost option, I want to assure the member, is not the use of scrubbers.

An alternative is to move towards the nuclear program, which the member finds somewhat unacceptable, to reduce the use of the coal-fired plants, as we have been doing over a period of time; in fact, they are operating now at only about 35 per cent of their total capacity.

2:30 p.m.

Another option we are using, which was proposed by the member's federal leader, is to shift to the use of more western coal. I acknowledge that at the moment Ontario Hydro is getting about 80 per cent of its coal from the United States, the lowest-sulphur coal we can purchase—which, as the member knows, is blended into our hydro rate here in Ontario—and about 20 per cent of the coal is coming from western Canada. I have a commitment from Ontario Hydro that over the next decade it will shift that 80-20 ratio of purchases of US coal as opposed to western coal to a more balanced figure of about 50 per cent from the west and 50 per cent from the United States.

There is no need for scrubbers—that is the point I want to make—because those particular coal-fired plants will not be operating for a sufficient period of time to warrant the installation of scrubbers.

Mr. Speaker: That really was not the question.

Hon. Mr. Brandt: It is a very complicated question, Mr. Speaker. Thank you for the time.

Mr. Peterson: Mr. Speaker, I would invite the minister to look at the situation he and his government are in at the moment. He will recall that on previous occasions—the throne speeches—scrubbers were promised. His predecessor one, two, three or four times removed promised scrubbers. Previous chairmen of Hydro promised scrubbers. That promise was there for all to see, and when it was reneged upon, that broken promise was there for all to see.

Now we have the situation where acid gas emissions are actually going up from 1981 to 1982 and probably from 1982 to 1983 because the thermal plants are on line more than it was previously expected. The minister knows that and I know that. In fact, the fulfilment of his

previous promises is getting less and less likely every single day.

Mr. Speaker: Question, please.

Mr. Peterson: Why would the minister not take the opportunity, as the new Minister of the Environment and with the commitment to environmental quality he has expressed here in this House, to use his good offices to put his stamp on the Ministry of the Environment and make sure Ontario Hydro goes ahead with the scrubber program we know will be required because of the increasing use of the thermal plants? Surely that is in his court. It is his responsibility and he personally could affect this matter materially if he so chose.

Hon. Mr. Brandt: The only jurisdiction in the entire world that has any kind of abatement order on its utilities is Ontario with respect to Ontario Hydro. That is point one. What is the use of putting scrubbers on plants that are under an order to use whatever technology is available—because that is the question here—to reduce their total emissions by some 43 per cent, or 200,000 tons, over the course of the next decade?

I can only suggest to the member that he is recommending that the price of electricity in this province be increased unnecessarily to place in position technology that may not be needed or may not even be used. It is not the answer to a very complicated problem.

PRIVATE NURSING HOMES

Mr. Rae: Mr. Speaker, my question is for the acting Minister of Health. The acting minister will be aware that last week I asked him a question with respect to the Muskoka Nursing Home in Gravenhurst, charges against which were going to be heard last Friday. I understand, and I am sure the minister is aware of this, that of the 46 charges that were laid against this particular nursing home, 20 were withdrawn and there were guilty pleas on the other 26.

I would like to ask the minister if he will answer the questions I put to him last week, which dealt specifically with the question of how it is possible that a nursing home that was charged in May and which is part of a broader chain of homes across the province was allowed by the Ministry of Health to purchase and to expand the number of beds it operates in June and July of the same year.

Now that we have the disposition of charges, I would like to ask the minister, since he refused to answer or delayed answering because he wanted to await the disposition of charges, why

was the home allowed to expand into Casselman, why were the operators allowed to expand into Deseronto and why were they allowed to expand the Elm Tree Nursing Home in Downsview?

Hon. Mr. Wells: Mr. Speaker, I indicated last week that I did not think the fact that one had been charged in court and found not guilty up to that time should necessarily preclude one from seeking an extension to or permission to buy another nursing home.

My friend has indicated that at this point the charges have been disposed of and the nursing home owner in this case has pleaded guilty to some of the charges that were levelled against him. I still am not sure I agree with the member that this precludes that particular operator from operating other nursing homes. One hopes this process is all brought about to upgrade the quality of care in the operation of nursing homes and that a lesson will be learned from the experience that has occurred in this instance.

I have not read the report of the particular judgement or the case the member has referred to, so I cannot really give him any answer beyond that at this time.

Mr. Rae: If the minister cannot, who can? He is responsible for the administration of the Nursing Homes Act. He knows perfectly well that the Nursing Homes Act has a specific provision which says the past conduct of the owners has to be taken into account before any further licences are granted.

Who will the minister refuse a licence to or start asking questions of, if some owner has been found guilty with respect to a number of charges, as in this instance? There does not seem to be any question raised in his mind or in anybody's mind in his ministry. What does one have to do to start getting some questions asked around Tory Ontario with respect to the operation of nursing homes?

Hon. Mr. Wells: I will be glad to get my friend a fuller and more detailed answer on it and give him the facts as to why this has occurred and what the particular charges were that this person was found guilty of.

Ms. Copps: Mr. Speaker, I am happy the minister is prepared to get some answers. I wonder why he has not answered the questions that were raised last summer by the Concerned Friends of Ontario Citizens in Care Facilities, specifically regarding allegations that were made surrounding the nursing care at Lincoln Place. Those questions were raised with the Minister

of Health last summer and, to date, they still have not received a satisfactory answer.

Hon. Mr. Wells: I will look into that, Mr. Speaker.

Mr. Rae: While the minister is looking into things, I wonder whether he will also look into this question with respect to the operation of the Muskoka Nursing Home.

The minister will be aware of questions that were raised by my colleague the member for Scarborough West (Mr. R. F. Johnston) with respect to underfunding in the triministry project in which the Ministry of Health is involved. He will also be aware that Anne O'Byrne, who is working for the region of Muskoka as a service co-ordinator, has informed us that while a proposal for a \$150,000 package of programs involving life skills, multisensory programs and enhanced staffing was approved by the North Bay office of the Ministry of Community and Social Services in September, she was told at that time—I am quoting from what she was told—"There is no more triministry money for projects in nursing homes."

Can the minister look into that problem since it does affect the care of the developmentally handicapped people who are in these homes for special care as private nursing homes?

Hon. Mr. Wells: I will look into that.

UNEMPLOYMENT

Mr. Rae: Mr. Speaker, my second question is to the Treasurer. I am sure he will have seen in the Sunday Star that his colleague the Minister of Community and Social Services (Mr. Drea) told a reporter he was going to be coming into the Legislature in about 10 days to ask for more than \$100 million in supplementary estimates to carry us to the end of the fiscal year.

The minister also said that about 35,000 more people will need welfare assistance in 1984. The economic recovery—I am quoting from what the minister said—"has not been as efficient as expected in dealing with unemployment," and "it (unemployment) does not go away in March like it used to." Those are the words of the Treasurer's colleague the Minister of Community and Social Services.

Given the fact that the Treasurer's own colleague is admitting that the human cost in terms of increased welfare still has to be borne by the entire community in this province, does he not feel it would be more worth while to introduce a winter works program for jobs in this province rather than simply increasing

welfare payments? Can he give us a guarantee he will bring in a program which will produce jobs in the winter and not welfare in the winter for the people of this province?

2:40 p.m.

Hon. Mr. Grossman: Let us be clear, Mr. Speaker. This government, and I think very many other governments, would not contemplate choosing one of those options at the expense of another.

In terms of our budgetary situation this year, we have made it quite clear that a primary responsibility, which we in this province do not shirk, is to meet every one of our welfare obligations. In fact, our five per cent increase announced by my colleague just recently is further proof of that obligation. So, regardless of whether or not the job situation continues to improve as it has to date, we will continue to meet those welfare obligations.

With regard to this coming winter and spring, I have not indicated for a moment that I will not be coming forward with any further measures. I have only indicated that it would be appropriate, in order to manage our affairs properly, to get a better handle on what the federal response is going to be in this area. With that in mind, I have put the item on the agenda for the finance ministers' meeting on December 8. After we ascertain, at that meeting if we can, what the intentions of the federal government are for this coming winter and how much money it is prepared to spend in Ontario, we will draw certain conclusions and act accordingly.

Mr. Rae: The workers of this province need more than a double negative from the Treasurer with respect to his economic program. I tell the Treasurer, we do not think waiting for Liberalism is enough, we think it is time the government of Ontario moved with respect to the people of this province.

The Treasurer knows full well that the recovery, which started very strongly in the first six months of 1983, has shown signs of faltering in the latter six months of 1983. He will know that literally tens of thousands of jobs lost during the recession have not been recovered.

Mr. Speaker: Question, please.

Mr. Rae: Specifically, I would like to ask the Treasurer, is he prepared to make a commitment to this House that he will introduce a works program for this winter to make sure the people of this province who want to work this winter will have a chance to work this winter?

Hon. Mr. Grossman: Let us just begin from accurate premises. First, we have now recovered 169,000 jobs in the course of just 12 months. Second, already we have recovered well over 60 per cent of all the jobs lost during the recession. Third, the extent of the job recovery in this province, from its worst depths back to the current stage, is the strongest of any government in Canada.

With respect, the honourable member can shake his head as often as he wants, but those facts will stand uncontroverted until he is able to come to this House and say that we have not recovered 169,000 jobs and that any other province has experienced a quicker recovery in terms of jobs than Ontario has. He cannot do that.

Lest the member wants to continue to suggest that all the opportunities and the responsibilities for carrying on a job recovery program, in spite of the success we have had to date, rely on Ontario and provincial governments, I can tell him that I have here on my desk the selected speeches of Robert Rae, then Finance critic in the House of Commons, in the years 1980 and 1981. I will be pleased to recite for the edification of the member and his caucus his very significant views relating to the overwhelming role—

Mr. Speaker: I do not think they have anything to do with the question before us.

Hon. Mr. Grossman: With respect, Mr. Speaker, the question—

Mr. Rae: They were good speeches. Go ahead; read them.

An hon. member: Why do you not quote them?

Mr. Speaker: Order.

Hon. Mr. Grossman: They want to hear the answer.

Mr. Peterson: Mr. Speaker, I was wondering when the Treasurer was going to bring out his little black book of past speeches of opposition members and figure they are some sort of a defence for his inaction.

The Treasurer will be aware, no doubt, that we have sat in this House for many years with his predecessor giving the same kinds of answers—"We will wait and see what the federal government is going to do." Meanwhile, the season slips by and unemployment deepens. Would the Treasurer not agree with me that one of the priorities for this province has to be a program for our hard-core unemployed young people who are chronically out of work and, it appears,

will be out of work chronically in the future unless we address that problem? Would he agree now to address that problem as soon as possible—before Christmas, one would hope—and not wait for his spring budget, which is far too late? Would he agree to that?

Hon. Mr. Grossman: Mr. Speaker, what I would agree to would be a proposition that acknowledges that my predecessor and his predecessor acted long before the honourable member was able to stand up and give these grand speeches suggesting we do not act on these counts.

The 1983 Ontario budget brought in by my predecessor had \$242 million allocated to direct employment programs. In addition, the youth employment programs—

Mr. O'Neil: It's not enough.

Hon. Mr. Grossman: I will increase it—to the member.

In addition, the youth employment programs provided \$121 million, with 100,000 jobs for young people created.

Mr. O'Neil: It is not nearly enough.

Mr. Speaker: Order.

Mr. O'Neil: The minister knew the state of the unemployed in this province.

Hon. Mr. Grossman: He was saying that before he knew the figures; so I would like to make this point.

Mr. O'Neil: You knew the predicament of the unemployed in this province.

Mr. Speaker: Order. Will the member for Quinte please restrain himself?

Hon. Mr. Grossman: With more than \$300 million devoted by my predecessor to job creation in this province, the fact that we have now experienced a recovery of 169,000 jobs, and more than 90,000 of those jobs subsequent to the excellent budget brought in by this government last May, this government has every right to stand up and take a good deal of credit for the recovery flowing from the last provincial budget. That is our record, and our record will remain intact and continue to be improved this winter.

Mr. Rae: The Treasurer may be satisfied with a 60 per cent recovery rate for Ontario and with a manufacturing sector recovery rate of 51 per cent with 103,000 jobs still lost during the recession. He may be satisfied with those figures, but I do not think the people of Ontario are satisfied with the reality of having children, fathers and mothers who are without work and

who have been without work for more than a year in this province. That is the crisis we are facing right now. Let us make no bones about it. The minister knows it; he has people coming to see him, as we all do, with respect to unemployment.

Mr. Speaker: Question, please.

Mr. Rae: Given the human dimensions of this problem and the fact there are literally hundreds of thousands of people who have been without jobs for a long time, many of them old, many of them young, many of them men, women, all colours, races and creeds, does the minister not recognize that it is his particular responsibility as the Treasurer to provide some hope for those people this winter? Will he not at least commit himself to a budget prior to this House breaking up in the middle of December so we can see some job creation for the winter and not put it off until the spring, summer, next fall and the winter following?

Hon. Mr. Grossman: No, I am not satisfied with a 60 per cent recovery. While the member was giving that speech, I had an opportunity to open the book here, and I find that the recovery figures indicate we have recovered 76 per cent of all the jobs—

Mr. McClellan: Just since you started talking.

Hon. Mr. Grossman: It is probably up to 80 per cent. I will get the latest figures for the member.

In any case, in terms of understanding the success of the programs we have mounted to date and the constrictions upon our ability to solve all these problems, given the continuing high interest rates, which the members knows very well are a major factor, and given the problems in international markets where people are not buying our goods or anyone's goods, the job recovery rate is quite phenomenal.

The additional amount we are prepared to do depends upon co-ordinating it in a sensible and responsible way with federal government programs. It also depends upon us finding precisely the best way to invest our dollars. I have made it clear for several weeks, long before the member's speech of a moment ago, that we are prepared to move and that we will be taking some action. I want to make sure that action is the best action, that it does something to create long-term employment, that it is not something that just notches down our political degree of heat for a period of time but does not do anything to create long-term, meaningful jobs, particularly for our young people.

I am going to stick to that course so that when we come into this House with a job creation program—the member will always say it is not enough, and I understand his obligation to say that—we will be satisfied that it is timely, appropriate, responsible and, most of all, does a real job for our unemployed and is not simply a cosmetic addressing as the member's speech was a moment ago. It will be a real program and a fundamentally important one.

2:50 p.m.

FERGUS TRAFFIC INCIDENT

Mr. Breithaupt: Mr. Speaker, I have a question for the Attorney General, following the question I asked the Solicitor General (Mr. G. W. Taylor) with respect to an event in Fergus on June 6 involving a police chase of three youths. The following events included the arresting constable drawing his gun and threatening to blow away one of the youths unless the person who was the driver of the vehicle admitted to being the driver.

The Solicitor General is reviewing this matter, and I am wondering whether the Attorney General has instructed his law officers to review this situation with respect to the possible laying of criminal charges in regard to the actions of the police constable in using his revolver in that way.

Hon. Mr. McMurtry: Mr. Speaker, if the facts as related by the honourable member are true, they are obviously very shocking and certainly warrant a very serious response. I expect to be reviewing this matter shortly with the Solicitor General personally, after he has received his preliminary report. Together with him, I will consider any appropriate action, given what appears to be a very serious situation.

Mr. Breithaupt: I appreciate the Attorney General's involvement and commitment in this matter. While he is investigating that and discussing it with the Solicitor General, I hope he will also consider the comments in the report of the Ontario Police Commission, which state:

"Based on the allegations received by Chief Burns, a detailed investigation was carried out, with statements being obtained from all concerned, following which the crown attorney was consulted. After reviewing the entire matter, he advised that no criminal proceedings would be instituted by his office against the officer involved."

Since it has come to our attention that the crown attorneys deny having been involved

with the details of the terms of the deal between the police chief and the defence counsel, and since those charges could not be withdrawn without the consent of the crown, will the Attorney General also inquire into this matter to determine just what was the extent of the involvement of the crown attorneys and which of those two opinions of what happened was the correct one?

Hon. Mr. McMurtry: Yes, I certainly will.

HUMANE TRAPPING

Mr. Philip: Mr. Speaker, I have a question for the Minister of Natural Resources. Before asking it, I would like to present to him some 10,000 signatures collected by the Fund for Animals, located in the city of Etobicoke. Those who signed the petition are opposed to the continued use of the leghold trap in this province.

The minister may recall that on May 1, 1980, I became the first New Democratic Party member to get a private member's bill passed in this House. At the time of the passage of my bill, which put some restrictions on the use of leghold traps, the late James Auld expressed his concern that the federal and provincial governments should work together in finding ways to reduce the use of this hideous device in this province. Can the minister give me an update on what action has been taken so far on phasing out, abolishing or at least reducing the use of leghold traps in this province?

Hon. Mr. Pope: Mr. Speaker, it is important to understand that we are dealing with a very historic and important industry in this province, with 18,000 registered trappers, including 3,500 treaty Indians who depend in part for their livelihood on trapping. It is also an industry that has grown in importance in Ontario, with the Fur Institute of Canada and many other organizations now locating in Toronto and Ontario to carry on this business.

Nevertheless, over a period of time—and the honourable member is correct—since Mr. Auld's time in this portfolio we have been working rather diligently at some improvements on humane trapping methods. They have taken the form of federal-provincial conferences, wildlife ministers' conferences held in Charlottetown, in Alberta and next year in Ontario. During these conferences much time has been spent addressing the issue of humane trapping and leghold traps, not only with governments but also with the industry and with the groups that are concerned about the use of leghold traps and the adoption of humane trapping methods.

We conduct trapper workshops to teach humane trapping techniques. It is now compulsory for all new trappers to take a detailed trapper education course in which humane trapping is stressed. We have a trap development program through which improvements have been made to existing traps and new traps are being developed and tested.

We have developed the new Novak foot-snare trap and conducted extensive field tests. We did have a contract out with the private sector with respect to the production of this new trap. That contract was not honoured, and we now have the agreement of the Ontario Trappers Association to actually produce this new type of trap or snare, which I believe everyone acknowledges is a more humane type of snare. Now we provide considerable—

Mr. Speaker: That was a very complete answer. Thank you. You are anticipating a further question.

Mr. Philip: The minister will recall that it was in 1980 that the Federal-Provincial Committee for Humane Trapping produced a report. His ministry was part of that, as were the various trappers he is concerned about. The report recommended at the time that the use of the leghold trap be greatly reduced.

I wonder whether the minister will agree with the description of the leghold trap on the petition I have just sent him, which is as follows:

"Imagine that the door on your car has been slammed across the fingers of your bare hand, that the door is slammed shut. Imagine that you are then left with your hand so caught until you either starve to death, freeze to death or tear your hand off. The leghold trap is legal torture for millions of animals every year."

Does the minister not think now that there has been enough study done on this and that it is time to reduce the use of this hideous device, at least for land use in Ontario, once and for all?

Hon. Mr. Pope: We provided considerable support to the Federal-Provincial Committee for Humane Trapping. We have led the way in the development of the Novak foot-snare trap. We have been involved with the establishment of the Fur Institute of Canada, in which many groups the member represents are involved. In October 1982, a humane trapping regulation was made. Part of that regulation banned certain types of traps and trap sets. It came into effect immediately, and further restrictions came into effect on April 1, 1983.

We are leading the way in North America in

exactly the kind of things the member said. However, the type of question he posed in his supplementary and the kind of demonstration he has made today are precisely the kind of thing about which I was written to on February 28, 1983. I would like to read one paragraph:

"The trappers are very concerned that perhaps well-meaning but ill-informed groups and individuals may campaign for the curtailing or even the banning of trapping of fur-bearing animals. Obviously your ministry has the unique opportunity, and indeed an obligation I believe, to inform the nontrapping public of the ecological and economic reasons for the Ministry of Natural Resources' scientifically controlled trapping program in this province."

That is signed "Bud Wildman, MPP, Algoma."

Mr. J. A. Reed: Mr. Speaker, the minister is no doubt aware that there has been a very significant phasing in of humane traps by the industry itself over the past few years. In order to allay the concerns that are being expressed, is the minister able to report to the House as to just what degree of phasing has taken place? How many trappers now have discarded the leghold trap and are using more humane types of traps than they have in the past? We know it is a very significant number. Perhaps the minister can tell us.

3 p.m.

Hon. Mr. Pope: Yes, Mr. Speaker. In fact, a lot of time has been spent at the last two annual OTA meetings dealing with humane trapping, with the education program. We have outlawed certain kinds of inhumane traps. That has been accepted and, in fact, the OTA was involved in the development of that regulation.

So it has had an effect. As soon as the Novak foot snare is available in commercial production—and the OTA offered to do it because of its concern—then it will be made available to the trappers and will be used.

I have to reiterate what was written in a letter I received dated February 24, 1983:

"Dear Sir:

"I have received numerous letters lately from hunters and trappers in my area who are concerned that there is a sudden outbreak of resistance against their livelihood and partaking of fur-bearing animals. It appears that sometimes people go overboard with so-called conservation.

"I believe that fur-bearing animals are one of our natural resources which is meant to be harvested for man's use. I would urge you to do

everything possible to see that our hunters and trappers are protected to allow them to continue to keep the proper balance of animals in our forests."

Signed, "Bob McKessock, MPP, Grey riding."

Mr. Philip: On a point of order, Mr. Speaker: The letter from the member for Algoma to the minister dealt with trapping, not with the use of—

Mr. Speaker: Order. That is not a point of order. The honourable member will please resume his seat.

NEL-GOR CASTLE NURSING HOME

Mr. Wiseman: Mr. Speaker, I have a question to the acting Minister of Health. Last week I received many calls from constituents of mine who inform me that Nel-Gor Castle Nursing Home in Carleton Place had a large number of work orders against it.

I would like the minister's assurance here today that he will have his inspection branch in there to make sure that these matters are cleared up immediately. If he has the problem I had with this particular operator when I was there and it does not work, will he ask for his licence?

Hon. Mr. Wells: Mr. Speaker, I will be glad to follow that up.

Mr. Rae: Mr. Speaker, I think the minister knows full well the problem at Nel-Gor Castle 2, which we discussed last week in the House, with respect to contracting out. He also knows the problem that has been raised by the member for Lanark (Mr. Wiseman) with respect to the operations of the home in Carleton Place.

Before he steps down as the acting minister will he please be prepared to make a statement, either in ministerial statements or in answers to previous questions, where he finally pulls together all the questions we have put to him with respect to nursing homes and answers those questions in this House?

Hon. Mr. Wells: Mr. Speaker, I will be glad to consider that. I just want to leave my friend the Minister of Health (Mr. Norton) something to answer when he gets into estimates next week.

ORGANIZED CRIME

Mr. Nixon: Mr. Speaker, I have a question of the Solicitor General.

Now that the Attorney General (Mr. McMurtry) has admitted publicly that we have a problem with organized crime, and in view of the reverberations associated with the murder of Volpe

three weeks ago involving executioners being sent up from Atlantic City, relatives jumping bail in various cities of the United States and so on, is the minister still convinced that his answer to my leader two weeks ago about his process for attempting to control organized crime is sufficient; or does he believe there is something further that he and the Attorney General should be talking about in this House and that they should be taking action to bring about some special forces to protect our citizens and our community from the depredations of organized crime?

Hon. G. W. Taylor: Mr. Speaker, I think the general answer to the question of the honourable member's leader earlier last week is that we have a crime investigation initiative, if one wants to call it that. We have groups that work as joint force operations, which put together operations of different police forces, from the Ontario Provincial Police to the Royal Canadian Mounted Police and different municipal forces.

There is a group with the Ontario Police Commission that does crime investigations exclusively. Most police forces have people who deal with crime and criminal activities of the nature the member is talking about. If one looks at the convictions and the arrests in that particular field of crime, which may be labelled organized crime activity, one will find the convictions and the arrests are up in that area.

I have a great deal of confidence in the police forces that they are doing an adequate job. Other than the adequate job they are doing, I would not want to suggest that there could not be an improvement. However, I would not know of the precise ways whereby one might carry out the improvement, over that which they are doing now, with which this House could legitimately assist them.

Mr. Nixon: The minister must surely be aware that this sort of joint forces approach was used years ago when Attorneys General were saying we had no organized crime. Now it is accepted that there is a problem here. We look at such things as a report in the Globe and Mail on November 18, indicating five people in Toronto alone died of heroin overdoses. Usually we have that many people dying in a year rather than a month. We read reports of organized crime taking control of strippers out in one of the small towns to the west of Metropolitan Toronto which has become the strippers' capital of Canada.

Surely the minister realizes that the methods

used 15 years ago have absolutely no application now and that we are relying on him to come up with some sort of initiatives, some sort of a task force that is at least going to move towards the protection of our citizens. Can the minister not report that at least he, along with his colleague the Attorney General and others, is contemplating such a move, which is obviously required in this modern day and age when we are facing problems 100 times worse than they were when his answer applied?

Hon. G. W. Taylor: On the matter of dope, the member has mentioned the increase in drug trafficking. The member well knows there was a statement made by Dr. Bennett, the coroner, as to that drug being on the street and that there was an increased number of overdoses in a particular period of time. In making that statement, he used it as a caution to the people that there was a possibility that drugs on the street were of a higher quality than had been the habit before. In that area, we have more activity, more prosecutions, more convictions and more arrests.

We have what is referred to in the Ministry of the Solicitor General, under the auspices of the Ontario Police Commission, as the Criminal Intelligence Service Ontario, which is a group of police officers put together from the different police forces throughout Ontario. They have meetings from time to time. They exchange surveillance. They have their own electronic equipment, their own computer system and their own intelligence network. It entirely works forward to try to prevent crime, to charge—

Mr. Nixon: Volpe was considered a leading citizen.

Hon. G. W. Taylor: Pardon? I did not hear the member's interjection.

Mr. Speaker: Never mind the interjection.

Mr. Nixon: I said Volpe was considered a leading citizen.

Mr. Speaker: Order. That has nothing to do with the question.

Mr. Nixon: He lived in one of the biggest houses in the city.

Mr. Speaker: Order. I am sure the minister will be winding up very shortly.

Hon. G. W. Taylor: Basically, in answer to the question in a general way, I think the police forces of the province are providing an adequate service for the crime prevention which is taking place in Ontario. Naturally, like all things, we would like more money. I would like

more money for my colleagues to get more into this; naturally, that is not always forthcoming. But we have a very good, highly efficient operation that is working to prevent crime and criminal activity.

NIAGARA REGIONAL POLICE

Mr. Swart: Mr. Speaker, I have a question to the same minister. I assume the Solicitor General is aware of the decision of the jury and the judge, about 10 days ago, in which a Mr. John Leveque of Niagara Falls was awarded \$8,000 for damages he suffered from three members of the Niagara Regional Police force. The jury found the conduct of the policemen was "high-handed, malicious or showing gross contempt for the plaintiff's rights."

Does the minister further know that long prior to this award, after getting no satisfaction from his complaint for more than six months, Mr. Leveque appeared before the police commission on the afternoon of June 30, 1981. Upon leaving the commission headquarters, he was escorted out by Chief Harris. As soon as he was outside the door he was arrested by the chief and taken into custody for being \$220 in arrears on support payments even though he is unemployed. Although he had \$190 on his person and offered to pay that, he was kept in custody until a companion returned two hours later with the additional \$30.

Mr. Speaker: Question please.

3:10 p.m.

Mr. Swart: Would the minister not agree this sort of action can only be interpreted as intimidation against a complainant, especially when done by the highest officer in the police force? Should this whole sequence of events not be investigated? Would the minister not think many other citizens might like to come forward if they were not afraid of intimidation and the investigation was opened up to the public?

Hon. G. W. Taylor: Mr. Speaker, I have some difficulty. I am assuming when in the last part of his question the honourable member asked, "Do you not think the investigation should be opened up to the public?" he is talking about the investigation now being carried out by the Ontario Police Commission into the Niagara Regional Police force. I do not believe the public is excluded.

I may have mentioned to the member previously that if he or anybody else in the Niagara area has any information they can go to the officers carrying out the investigation and pro-

vide them with the information. I assume that is the question the member was asking.

Mr. Swart: With regard to opening up this investigation, on November 7, in reply to a question of mine on the adequacy of the investigation, the minister said, "Many people have come forward to the investigating officers and said they would like to give information."

Is it not true that anyone who has come forward has had to ferret out how to get in touch with the investigators and, in fact, go through the police department to get an appointment? Why does the minister not encourage people to come forward, solicit them, by public notification? Better still, why does the minister not have a public investigation as requested by the president of the police association? What is there that the minister does not want to find out in the Niagara Regional Police force?

Hon. G. W. Taylor: Mr. Speaker, there is nothing I do not want to find out about the Niagara Regional Police force. There is an investigation ongoing. It has had a thorough going over and there has been information about it in the media in that region. I suspect if I were to take out advertisements in newspapers mentioning it I would gather no more information than is now being gathered by those officers. Once that process and the preliminary investigation are completed, we can decide whether a larger investigation or a public inquiry, which the member for Welland-Thorold keeps asking for, is warranted.

WINDSOR AMBULANCE SERVICE

Hon. Mr. Wells: Mr. Speaker, I have the answer to two questions asked of me by the member for Windsor-Riverside (Mr. Cooke). It may take a few minutes for these answers.

Mr. Speaker: Briefly.

Hon. Mr. Wells: I really think that given the admonition I received earlier to pull together some of these answers, I want to tell my friend I have been doing that. It is because I am so careful in wanting to be sure the answers are researched properly that it has taken a little while.

Mr. Speaker: Be good enough just to summarize and to send the complete answers over to the member.

Hon. Mr. Wells: I am not sure that is completely adequate, given the fact that certain impressions are created in the House sometimes. My friend asked about a review the ministry is currently carrying out on the Windsor

ambulance service which the Ministry of Health operates directly. This review will be completed by the end of January 1984 and the results, along with those of other program reviews, will be useful in our ministry's operational planning for next year.

However, a number of questions have arisen concerning emergency health services in Windsor and Essex counties which are outside the scope of the operational review. For this reason I have approved a broader review of the organization and delivery of emergency services in the Windsor and Essex region and have authorized the ministry personnel to proceed with a call for proposals from private independent consultants as soon as the terms of reference have been approved.

Meanwhile, the program review we are carrying out will continue and the results of it will be available to the consultants to the extent they are relevant to the larger review.

The other question I wanted to answer concerned an individual incident that took place on October 3, 1983. On that day, the Windsor ambulance that went on duty at 3 p.m. with a full tank of propane fuel responded to four calls and, without stopping, was then assigned at 7 p.m. to a code 4, which is the highest priority call. The ambulance rushed a young boy to Grace Hospital in Windsor, where the attending physician directed them immediately to transfer the patient as quickly as possible to University Hospital in London.

The ambulance was immediately dispatched as a code 4 to London, approximately 193 kilometres away. En route, the ambulance crew decided as a purely precautionary measure to top up with propane fuel at a filling station at Highway 21 and Highway 401, where they knew propane fuel was available.

Contrary to a statement made at the time of the question in this House, the vehicle was never out of fuel. The stop took less than five minutes and the care of the patient was not threatened in any way whatever. In fact, I am told the crew were so concerned about the care of the patient that they arranged to come back to the station on the way back and pay for the propane rather than take the time to pay at the time they took delivery of it. They did return after the safe delivery of the patient to the hospital in London.

The reason I recount that the ambulance crew took such careful precautions during this transfer from Windsor to London is that I think it is very clear that indicates effective planning and efficient, thoughtful practice rather than

management problems or low morale as has been alleged.

Mr. Cooke: Mr. Speaker, since there were two answers to two questions, I will have two brief supplementaries.

The first is, in regard to the process that is being used for reviewing the incident that surfaced in Windsor, can the minister assure us that what we are talking about is a public review of the ambulance service? That is what the workers want at that facility and it is obvious that without the co-operation and support of the Ontario Public Service Employees Union the public review will not be successful in bringing about proper service in the city.

Second, in regard to the specific incident, is the minister saying it is appropriate and normal procedure that an ambulance has to stop en route from Windsor to London to top up fuel? Is that normal procedure, or is the proper planning such that the fuel is already in the tank and they do not have to worry during a 120-mile run? They should not have to top up their fuel between Windsor and London.

Hon. Mr. Wells: I think my friend missed the total impact of my answer. That ambulance had been on duty from 3 p.m., received the call at 7 p.m. and had not had a chance to top up fuel. They believed they were taking the patient to Grace Hospital and then immediately were dispatched to London. They operated on propane fuel, which is not available at every gasoline station they might come in contact with, and they took this measure as a precautionary measure so they would not run out of fuel on the highway. I think they are to be commended for that action.

I am also saying the suggestion that there is lack of morale and lack of thoughtful planning in that ambulance service is an affront to those men, the drivers of that ambulance, who I think took the proper action.

As to the second question, it is not a public inquiry. It is going to be a review by independent consultants of the emergency health services in the area. I have a longer answer as far as the OPSEU people are concerned. Notices have been posted asking them to participate in the review, indicating that confidentiality will be respected and indicating that the OPSEU people can come before and talk to the ministry investigators and bring their union representative with them if they so wish.

All this is very helpful in the "share your views on the service" process going on there. If my friend wants to serve his constituents well, and I

am sure the member for Windsor-Walkerville (Mr. Newman) who is also talking about this feels the same way, I would urge the members of OPSEU to share their views with both our investigators and the consultants when they are appointed.

3:20 p.m.

PETITIONS

INFLATION RESTRAINT LEGISLATION

Mr. O'Neil: Mr. Speaker, I have a number of petitions that have been submitted to me by nurses at the Hastings and Prince Edward Counties Health Unit, the Belleville General Hospital and the Trenton Memorial Hospital. The petition reads:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned nurses, beg leave to petition the parliament of Ontario as follows:

"Whereas we oppose the extension of the Inflation Restraint Act because it is inequitable in its application to the citizens of Ontario and restricts our basic free collective bargaining rights; and

"Whereas we believe that an extension of the act or measures which will have a similar effect would violate the spirit of the Canadian Charter of Rights and Freedoms;

"We petition the Ontario Legislature to restore our free collective bargaining rights forthwith."

MOTION

ESTIMATES

Hon. Mr. Wells moved that, notwithstanding the order of the House of May 12, 1983, the estimates of the Ministry of Treasury and Economics be considered in committee of supply today and on Friday, December 2, 1983.

Motion agreed to.

INTRODUCTION OF BILLS

ALEX MANOOGIAN CULTURAL CENTRE ACT

Mr. Robinson moved, seconded by Mr. Gillies, first reading of Bill Pr56, An Act respecting the Alex Manoogian Cultural Centre.

Motion agreed to.

HUNGARIAN CANADIAN CULTURAL CENTRE (HUNGARIAN HOUSE) ACT

Mr. Williams moved, seconded by Mr. Wiseman, first reading of Bill Pr54, An Act

respecting the Hungarian Canadian Cultural Centre (Hungarian House).

Motion agreed to.

USED CAR BUYERS PROTECTION ACT

Mr. Boudria moved, seconded by Mr. Ruston, first reading of Bill 131, An Act to protect the Purchasers of Used Motor Vehicles.

Motion agreed to.

Mr. Boudria: Mr. Speaker, the bill would require used car dealers to give consumers detailed information about used cars that are offered for sale and would impose statutory warranty for fitness. The warranty period would vary with the age and mileage of the used car.

This bill is similar to legislation existing in Florida, Connecticut and Quebec.

ORDERS OF THE DAY

House in committee of supply.

ESTIMATES, MINISTRY OF TREASURY AND ECONOMICS

The Deputy Chairman: Does the honourable minister have an opening statement?

Hon. Mr. Grossman: Mr. Chairman, I am, of course, pleased this afternoon to present the estimates of the Ministry of Treasury and Economics for this my first time—the first of many, I might say.

These remarks will be brief as I am most anxious to hear the contributions the opposition parties will have to offer and the advice they may wish to tender as we climb out of the most difficult time we have experienced in 50 years.

In these estimates and in my short opening remarks, I should like to provide a short progress report on our job creation policies as set out in the very fine 1983 budget of my predecessor and to discuss the process of pre-budget consultation we are now establishing. Also, in anticipation of the meeting of the ministers of finance in Montreal on December 8, there will be a few observations I shall wish to make on federal-provincial issues.

The May 1983 budget projected a deficit of \$2.7 billion for the 1983-84 fiscal year. As reported in the recent Ontario Finances, we are on target with regard to this objective. Net cash requirements are up \$8 million, despite in-year expenditure increases for health and income support programs.

This record of fiscal management and, in particular, our efforts to control the deficit, have enabled Ontario to maintain its triple-A

credit rating for provincial and Hydro borrowings. Ontario's achievement is especially noteworthy since the credit ratings of four provinces have been downgraded in the past year. British Columbia lost its triple-A credit rating, and Manitoba, Nova Scotia and New Brunswick were each brought down one notch by one of the rating agencies.

In the 1983 Ontario budget—pardon me?

Mr. T. P. Reid: Is that a quarter of one per cent?

Hon. Mr. Grossman: No. They were downgraded a full rating category.

Mr. T. P. Reid: I know, but that is a down a quarter of one per cent.

Hon. Mr. Grossman: In Ontario's terms with our borrowing, if we were to lose our credit rating just one notch, it would cost us about \$500 million over the term of most of those loans.

Mr. T. P. Reid: Your predecessor said \$40 million.

Hon. Mr. Grossman: No, \$500 million.

In the 1983 Ontario budget, \$242 million was allocated for direct employment programs with the following results to date: Under the capital acceleration program, more than 100 projects of repair and renovation are under way in, for example, our universities and colleges, tourist facilities and municipalities, creating about 12,000 jobs.

Ontario's commitment to the Canada-Ontario employment development program was increased this summer by \$10 million to \$110 million. Forty per cent of COED funding has been committed to joint projects with nonprofit private organizations, 37 per cent with municipalities, 18 per cent with private firms and the remainder with the province itself. More than \$100 million from private business is being additionally mobilized for job creation through the joint COED projects. This year 26,000 jobs are being created in total.

As for the programs to stimulate activity in the private sector, the following results stand out: The temporary exemption from retail sales tax for furniture and appliances stimulated a sales growth in these areas which was two to six times greater in Ontario than in the rest of Canada.

3:30 p.m.

Here are some details: During the exemption period, the number of Canadian manufactured refrigerators delivered in Ontario increased by

67 per cent over the previous year compared to only a 17 per cent increase for the rest of Canada. Washing machine shipments increased by 42 per cent in Ontario compared to eight per cent elsewhere in Canada. There is evidence that increased production such as this created jobs in the furniture and appliance industries. For example, Canadian employment in major appliance manufacturing, most of which is located in Ontario, increased by 13 per cent to 5,300 jobs between June and July of this year.

The small business exemption from Ontario corporations tax extended for one year potential benefits to more than 55,000 Ontario businesses, channelling assistance to the sector where the greatest number of jobs are created.

It would also be appropriate to note specifically our continuing and quite great concern about the youth unemployment problem.

Mr. T. P. Reid: Our program might help.

Hon. Mr. Grossman: Oh, yes. While youth unemployment remains high, obviously our programs are going to pay particular attention to that part of the unemployment problem. As was discussed earlier today in question period, we are looking at various options which we might undertake in an appropriate and timely way to provide not only some youth employment but also the proper kind of youth employment programs.

In this regard, we have always had a wide range of youth employment programs to try to cover as many segments of the problem as we can within a wide and varied province with all sorts of particular problems among the young people. It is our desire to have as many options as possible for them so they do not find themselves constrained from entering a particular program we have because of where they live, the education they have obtained or their particular choice with regard to career futures. We try to give them a wide range of options so there is a program to suit their individual needs and future desires.

With this in mind, I thought it would be appropriate to run through some of our youth employment programs this year, both in terms of funding and the numbers of jobs that will be created for our young people.

First, the Ontario youth employment program has funding in the amount of \$30 million, creating about 55,000 jobs. That program provides jobs for young people aged 15 to 24. Employers are paid \$1.25 per hour subsidy for jobs running throughout the April to October period.

Second, there is the very well-received and popular Ontario career action program, which costs \$17.8 million, creating 13,200 jobs for young people. The Ontario career action program provides unemployed youth aged 16 to 24 with on-the-job training in the public and private sectors. Participants in this program are paid a training allowance of \$100 per week for up to 80 training days. This program runs year-round.

The summer Experience program, funded with \$12 million, provides 9,200 jobs and provides employment in government ministries and community organizations for young people aged 15 to 24. This program runs in the summer period from May through to September.

In addition, we have introduced the winter Experience program. This program has funding of \$4.8 million, providing 1,800 jobs. It provides employment not only in the public but also the private sector for employment-disadvantaged young people, that is, those who have left school and who have been looking for work for at least 12 weeks. These young people have to be between 16 and 24. This program, recently introduced, seems to be having a great deal of success.

The Ontario junior ranger program, one of the most successful and longest-running government programs, has funding this year of \$5 million, creating 1,700 positions. Many members will be aware of that extraordinarily successful program, which gives our young people a keen knowledge of the management of natural resources through camping work, outdoor training and recreational activities.

The summer replacement and co-op students program, with \$24.9 million in funding and providing positions for 6,900 young people, provides training and job opportunities with provincial ministries and associated agencies where the students are getting very important work experience and support.

Finally, our young Ontario career program is a new program introduced in the 1983 budget, which allocated \$25 million to this program, providing 12,500 positions. This program is targeted at post-secondary graduates who cannot find employment suitable for their qualifications six months after graduation and also at other 20- to 29-year-olds who cannot find employment. A subsidy of \$2.50 per hour to a maximum of \$100 per week for 26 weeks is given to employers. This program has had a very good early uptake and seems to be one of our very successful new innovations.

In referring to many of these programs, I must give appropriate credit to the youth secretariat under the Provincial Secretary for Social Development (Mr. McCaffrey) and its current parliamentary assistant, the member for High Park-Swansea (Mr. Shymko), and his predecessor, the member for Brantford (Mr. Gillies), for the excellent work they did in putting together what is really an outstanding array of programs that have served more than 100,000 young people so well in this current year.

The success of these job creation programs, outlined and brought forward last May in the budget of my predecessor, the member for Muskoka and Minister of Industry and Trade (Mr. F. S. Miller), stands as a fine tribute to the careful and considered programs that are appropriately brought out from time to time when we deem it is appropriate and responsible to do so. The success of those programs speaks for itself. The job numbers are very good, as I outlined earlier, totalling some 169,000 jobs from November 1982 to November 1983.

Mr. T. P. Reid: What is the unemployment rate now?

Hon. Mr. Grossman: It is down to 9.2 per cent, far lower than the Canadian average for unemployment. That is a great credit to my predecessor, the member for Muskoka, to whom all members of this House owe an extraordinary vote of thanks.

Needless to say, the success of all these programs and the ones we might consider at a later time depends to a large extent on having the appropriate economic environment. Not only do we need a solid and predictable one, but a very stable and promising one.

Wage and price restraint in both the public and private sector is, accordingly, essential if our jobs and investments are to be protected. People are simply not going to invest in an economy that does not offer appropriate stability and predictability. As members of this House are well aware, this government has not shirked its responsibilities in any way whatever in providing that degree of security and stability.

In so doing, this year we brought in Bill 111, our successor to the Inflation Restraint Act. It follows Bill 179, which played a major role in bringing down the rate of inflation last year, as is quite obvious from any analysis of the inflation rate in Ontario. Accordingly, this year we were able to move to a much different approach for our continuing efforts and leadership in terms of public sector wage restraint and the fight against inflation generally.

With Bill 111 following Bill 179, using our limits on the compensation component of transfers and grants, we were able to reintroduce free collective bargaining appropriately in relying upon the responsibility of all parties in the process and at the same time to ensure that we do not see another round of inflation come upon us.

3:40 p.m.

This new bill, Bill 111, following Bill 179 as it does, will ensure that we will reinforce once again this year the downward trend in public sector and private sector settlements. In so doing we will be taking another important step towards job creation in this province, for in a climate where one has double-digit inflation and double-digit wage settlements, it is very clear that one will not get new jobs created or new investment.

As we stand here today, the American rate of inflation is just a little more than 2.5 per cent, which is substantially lower than ours. Therefore, it is important for us to remember that a five per cent rate of inflation cannot prove to be and should not be treated as being an acceptable target or an acceptable rate.

We will continue our fight in this regard in our very firm efforts in attempting to create an inflation-free environment here in Ontario and in Canada generally. Without that, all of our job creation moneys will be for naught; all of the job creation programs will be nothing but a temporary palliative to an ongoing and chronically difficult circumstance.

We do not intend that to happen, and therefore we will continue to exercise public sector restraint not only with regard to public sector wages but also with regard to the public sector generally. It is only in doing these things that not only will we continue to fight inflation and create an environment in which we can see new investment and new jobs, but we will also be able to maintain for ourselves the fiscal capacity to finance these very same job creation programs and, of course, continue to meet our social obligations throughout a very difficult time.

Indeed, this is the very time in which governments must ensure that they have not crippled their capacity to meet their safety net obligations to those most in need in our society. There has hardly been a period of time when more people have been in more need of this kind of assistance from government, and we, almost uniquely among governments, have retained our capacity both to meet those social commit-

ments and to maintain some new job creation programs and not have our deficit skyrocket to an unsustainable level.

That is a great credit to my predecessors and to the determination of this government to ensure that we were prepared for a difficult economic time in a fiscally responsible way. Had we not managed our affairs as carefully and as well as we have, then we would simply not have been able to maintain our credit rating, maintain our obligation to create jobs and meet our social obligations out in society.

If one casts one's eye across the 11 senior governments in this country, one has a hard time finding any other government that has come through this circumstance with as strong a fiscal position, maintaining its programs as we have and, indeed, even introducing new programs during what was the worst economic circumstance since the Depression.

It is a great tribute, I would argue, to the resolution of this government as long ago as 1975, when the first restraint program was brought in in this province. The other provinces and other governments, certainly including the federal government, waited until 1982 and 1983 to sense the need for restraint, and suddenly restraint began to appear in all government budgets and statements.

Those governments are now paying an extraordinary price for that mistake. More important and more serious, their people—their work forces, the unemployed and the disadvantaged in their societies—are paying the most crushing price. But here in Ontario not only have we been able to maintain our programs, keep our deficit controllable and maintain our credit rating, but also my colleagues have still been able to go out from time to time and provide new programs where particularly needed. It is almost unheard of at this time in our economic history for governments and ministers to be able to meet new problems and answer new stresses in our society with new and expanded government programs, but that is the experience, almost uniquely, in Ontario.

I recall reading just last week a report on the activities of Alberta, the only other province in this country which today has a triple-A credit rating. That report indicated the activities Alberta was undertaking to maintain its credit rating and maintain its capacity to service its people. It showed Alberta was indicating fairly clearly that a main element of its restraint program this year was to have literally no new government programs and literally to screw down the lid as

tightly as possible on increases in funding even for current programs.

While we have talked in this assembly for many years about the rate of growth of new programs not being as quick as in the past, and while we have talked about the demand for even more new programs than we were able to introduce, the fact is that the kind of steps Alberta is taking to protect itself have not been found to be necessary here. That is partly because we were taking far firmer measures as much as eight years ago, long before the depths of any recession oncoming in 1982 were apparent, to achieve a fiscally responsible position that would allow us to look after such an eventuality.

It was simply good government and good management. I suggest any analysis of the activities of the Ministry of Treasury and Economics over those years will show the great contribution it has made to the public of Ontario in getting us through this difficult time. It has been able to create new jobs, and we are now able to look forward to fairly significant growth over the next period of time. This government finds itself poised to invest in that growth in a responsible and creative way.

So much has been accomplished already that we are able to look at an economic circumstance where we have recovered. The groundwork has been carefully and judiciously laid, but in addressing the policies to strengthen this recovery, it is important now to broaden and improve our consultative process.

The consultative process has served us very well in the past. It has brought us good ideas and allowed us the flexibility to do the things I have talked about, because we have understood very well the views of those most affected by our budgetary policies. This year, I would like to take some important steps to broaden this consultative process once again.

On October 11, this assembly heard our plans to open up this budget process. The aim of this initiative is to allow greater public participation in budget decisions by publishing far more information prior to budget day and by expanding the range of consultations.

This consultative process has already begun. In the past month we have held meetings to discuss both restraint and transfer levels with the Association of Municipalities of Ontario, school board trustees, the Council of Ontario Universities and the Ontario Hospital Association.

Mr. T. P. Reid: Can I guess what they said?

Hon. Mr. Grossman: They said they were quite delighted with the continuation of the restraint program, its particular shape and the fiscal responsibility of this government.

Mr. T. P. Reid: Sure they did. They didn't ask for more money?

Hon. Mr. Grossman: They did say that as well.

Mr. T. P. Reid: Just on the way out the door.

Hon. Mr. Grossman: An important element of the new process is our autumn economic and fiscal statement, which will be delivered within the next few weeks to this assembly. This statement will review the strength of the economic recovery and provide an assessment of the economic outlook in advance of our prebudget consultations.

The statement will also discuss our economic goals and the tradeoffs that must be considered in meeting those goals. Major transfer payment levels will also be announced at the time of the autumn statement. This will enable better planning in institutions supported primarily by provincial grants.

3:50 p.m.

Members will be aware that under the new restraint program it is the compensation portion alone of transfers that is limited to five per cent. Therefore, other factors can contribute to an overall transfer increase different from that rate.

I should point out that this is an example of where prebudget consultations over the years have brought some important and new advice which has led to a change in government policy. One of the messages brought to us consistently by the school boards, hospitals and other recipients of transfer payments was the need to have this information somewhat in advance of their fiscal years. They have asked us specifically to see whether we could get these decisions made early enough so they would have the announcements before Christmas. We have accepted their advice and will be providing that in the next few weeks.

Another innovation will be the advanced tabling of prebudget papers addressing key economic issues. In the past, papers of this type have been published simultaneously with the budget and their importance may have been overshadowed. The analysis that the new prebudget papers will give to matters of provincial economic policy will be of further assistance to members of the assembly and others in the provision of their advice. I know members

of this assembly will be free and forthcoming with their advice.

The cycle of consultations will be made complete by a full roster of prebudget meetings with various groups and organizations. A schedule of meetings has already been set up which includes involving an increased number of groups. With a background that will have been shared by that time, the goals that have been discussed and the options that will have been put forward in documents such as the autumn economic statement, I feel these sessions hold a great deal of promise.

I would like to discuss our federal-provincial agenda for the next few months. Members who have listened diligently to statements, speeches and debates in this assembly for some time will have heard very many well thought-out speeches on the subject of federal-provincial relations from this side of the House which may have complained about policies—particularly unilateral actions—taken by the federal government.

On the other hand, there are those on the opposite side who have claimed that we may have tried to overemphasize the shortcomings of the federal government. We wish to be fair about the circumstance and say that we do not intend to lay blame for everything at the doorstep of the federal government, as easy as it may be.

At the same time, however, while the opposition party in this assembly takes the view that a Liberal is a Liberal is a Liberal, we want the members to join with us in reaching a balanced view on this circumstance. We should all want to acknowledge the fact that we will differ from time to time on who has primary responsibility for our economic problems and solutions.

The leader of the third party, of course, tilts his view to whichever chamber he is sitting in. If he is sitting in this assembly, we have primary responsibility; if he is sitting in the House of Commons, they have the major responsibility. However, I think we are all relieved to know that he does not have the major responsibility.

Regardless of which view one may hold with regard to the particular failings of that government, we must agree that the federal government has a dominant influence in terms of the economies of all provinces. We must also acknowledge that what we do here in Ontario is quite important to the national economy. Those facts being the case, governments must surely talk to each other very carefully and openly. They must share their goals and not waste their strengths by pulling in opposite directions.

The December 8 finance ministers' meeting in Montreal will provide an opportunity for us to discuss the economic outlook and budget options across the country for next year. Ottawa's plans will have a major bearing on the decisions we take, leading up to our own budget next spring. At the meeting, I will be raising a number of points.

First, we need to find new and better ways of mounting the question of job creation in this country. Our own budget actions were mentioned earlier, some of which were taken in co-operation with the federal government. These programs have helped a great deal, but we all have to do better.

Second, we cannot let up on our efforts to keep inflation under control. I was concerned to read again today that the federal government might be considering pulling out of its six and five program a little too quickly, while in our opinion inflationary pressures are still seriously with us. As I indicated earlier, a five per cent inflation rate is no cause for celebration. Inflation must simply drop further and must stabilize for an extended period of time before we can safely say that it is under control.

Another issue I will be raising at the time of the finance ministers' meeting is the continuing decline of the federal contribution to the financing of health care in this province. The federal share of Ontario health spending is now only 41 per cent, having declined from 49 per cent only four years previously. Some people do not realize that these figures include the value of the 1977 transfer of tax revenue to the provinces. In other words, they include revenues that taxpayers pay directly to the Ontario government and that show up on our tax forms as Ontario tax payable. If we look only at the actual amount of funds remitted from Ottawa, their share of health spending in Ontario has dropped shamefully to only 24 per cent.

Another key issue to discuss with the federal government is the expiry of the general development agreement. This 10-year umbrella accord, which permitted co-operative economic development initiatives to be negotiated and implemented, will expire in March 1984. The federal government has promised a replacement for the general development agreement. None the less, they have not disclosed the nature of that agreement. They have no specifics other than warm assurances, as we get into December just three months prior to the expiry, that there will be a successor of some sort to the GDA. We do not now know the nature of these new agree-

ments. I might say the existence of a federal commitment to co-operate with the province on developmental items of common interest is really not yet clear.

Certain federal requests may be anticipated, however, such as—if we read the messages accurately—a desire for more federal direct delivery and fewer joint activities. I do not think that is in the spirit of the economic consultation and confederation that we have always anticipated and feel has served us well in all parts of the country.

We feel that the procedures developed under the old development agreements were fair to both governments. We felt that while we joint-ventured with the federal government on many programs, the public did not want a squabble over who should take credit or who should cut a ribbon but, rather, only wanted co-operation between governments to give them appropriate development and growth in their community.

That is our view of the situation as well. We feel that those programs provided effective and useful programming initiatives to the people of this province in very many communities. If anything, at this crucial point in our history, we need more co-operation and joint efforts with the federal government, not fewer ones, which seems to be the trend in which they are going.

Pension reform is another major issue on which it is essential that same kind of federal-provincial consensus be arrived at. In this case I would indicate that interprovincial consensus is very important as well. Tomorrow, I will be speaking to the Canadian Life and Health Insurance Association on the timing and direction of Ontario's reform proposals. Indeed, it will be at the very time the Grey Cup victory parade is taking place.

4 p.m.

Mr. T. P. Reid: You didn't organize that very well.

Hon. Mr. Grossman: No, we didn't, did we?

Mr. T. P. Reid: You must have been betting on Vancouver.

Hon. Mr. Grossman: I was betting on a parade on Wednesday.

I will stress on that occasion the need for early commencement of intergovernmental discussions of reform proposals, as the parliamentary task force on pension reform is now expected to release its report in December.

We have had a very helpful and constructive meeting with the federal parliamentary committee on pensions. We exchanged a lot of informa-

tion and we were quite impressed by the degree of work they had done and by the excellence of the knowledge of the members of that parliamentary committee on the fundamental problems and issues surrounding pension reform.

All members of this House, I am sure, are aware of the importance of the pension issue. It is disturbing that many of our elderly must rely solely on old age security and income-tested government programs such as the guaranteed income supplement and the guaranteed annual income system for their retirement income.

The success of pension reform will be measured by our ability to reduce the number of elderly dependent on government transfer programs without introducing a major extension of government control over how Canadians prepare for retirement. This means not only that the reformed pension system should deliver more and better pensions, provide reasonable inflation protection and be affordable but that it should also be flexible. Pension policies should be designed to complement and not frustrate people's actual desires to save and to prepare for retirement.

These are long-term issues, and while that fact is inherent in pension reform, these questions cannot continually be pushed into the future. It is gratifying to see more public discussion on pensions and this must continue among governments in a more concrete way.

I should point out that this year I am chairman of the provincial ministers of finance group and I have also been asked to chair the meeting of provincial ministers responsible for pensions this current year. Accordingly, in that capacity I will be calling together some time in the spring of next year my counterparts throughout the country who are responsible for pensions in order to bring together provincial views on this very important matter.

In that regard I should like to indicate to the members of the House that this work is being co-ordinated within the Ontario government by Treasury and Economics and that we are receiving a great deal of assistance from my colleague the Provincial Secretary for Social Development, who has extraordinary knowledge in this field and an important responsibility, given his cabinet responsibilities in the social development area, and also from my colleague the Minister of Consumer and Commercial Relations (Mr. Elgie), who also brings a great deal of knowledge and expertise to this field and is, of course, responsible for the Pension Commission of Ontario under the purview of his ministry.

Long-term issues are sometimes the ones that do not get discussed very often; they do not fit into neat compartments and they too easily get ignored. Just after my appointment as Treasurer, a reporter asked me what my major objectives in the new job would be. I answered that I would be pursuing retraining, restructuring and restraint. Four months later I do not think I could have found a much better way to express our goals. They are, however, matters that we do not often discuss under those titles in intergovernmental forums, and I want to complete my remarks by discussing each of them briefly.

Retraining offers the key to productivity growth and to growth generally without inflation. We have learned that even in a time of relatively high unemployment skilled labour bottlenecks can frustrate the ability of our businesses to grow and fulfil their potential. In our rapidly changing economic environment workers must have available the means to transform their skills from those of declining industries to those required for expanding ones.

This government regards manpower training as a top priority through programs delivered in Ontario's extensive network of colleges of applied arts and technology and on the job in a range of apprenticeship programs. Ontario has upgraded its response this year through an additional \$16.5-million Board of Industrial Leadership and Development manpower training enrichment program that includes funding for the new Ontario training incentive program, creating over 9,000 new training places.

The three-year federal-provincial agreements under the National Training Act are drawing to a close and negotiations will begin soon for a new national plan. We will claim our fair share of the institutional training that is undertaken in Canada, closer to our proportion of the national labour force, in recognition that ongoing retraining is necessary to maintain a healthy industrial base. The negotiations will bring the opportunity we have been seeking to add new and imaginative programs to our existing retraining efforts.

The restructuring of our industries and our economy is the second area to examine. The growth in the international economy is shifting towards industries based on information technology. The nations that will lead tomorrow's economy will be those that conducted the research and were there on the ground floor. This is why our support for basic and applied research at our universities and colleges is so vital. Yet the federal government has chosen

this time to restrain its funding to post-secondary education, an unusual and inappropriate time to do so.

Ottawa has reduced its post-secondary funding to Ontario this year and next by \$42 million and \$93 million respectively. Incredibly, it is threatening to make greater cuts after 1984-85 by altering the method for payment. We understand its motives for this year and next are related to the six and five program. We certainly agree that the salary component of transfers to educational institutions needs to be limited.

But a continuing cut of federal support will hurt Ontario's ability to participate in technological development. This is a moment when our commitment to post-secondary education must be expanding, not contracting. I wish to discuss with the federal government joint ways of better utilizing our educational institutions in the restructuring of our economy.

Finally, we must continue our commitment to the third R, that of restraint, in order to have the flexibility to undertake these or any other initiatives we have already discussed. Ontario's continuing prudent fiscal management has paid clear dividends, and did so last spring, for instance, by putting us in better shape than any other province to respond to the need for job creation programs without endangering our credit rating and robbing our children in later generations in terms of the moneys they would have to spend on needless interest payments.

When resources are limited, it is important to scrutinize all expenditures even more carefully and to make reallocations to those areas that will contribute most to lasting recovery. The type of restraint we have adopted for this year is reasoned and compassionate. It is fair but firm restraint and does not arrive with a bang in bad times and simply go away in good times. It is balanced and fair and allows for a balanced and predictable government policy, not a sudden one that creates dislocations and polarizations throughout our economy.

It is a continuing process, that of restraint. It is one that must be a goal for all governments. Indeed, had it been a goal for all governments, not just ours, from 1975 on we would have seen less economic havoc and fewer social problems in other provinces than we have seen.

In concluding my remarks, may I say this is the fourth ministry I have had the honour to take the estimates for in the last six years. In every one of those I have learned a great deal during the estimates process. I have listened carefully to the comments of the opposition

parties and my own colleagues in their contributions to the process. I am sure, having listened to the contributions to date on economic matters by members of the opposition, this year will be no exception.

Therefore, I invite honourable members to offer their contributions and their questions as we all join together in marching down the road to economic recovery and reinvestment in the kind of growth we all need and want so badly for our people.

4:10 p.m.

Mr. T. P. Reid: Mr. Chairman, the new Treasurer—not so new, but this is his first opportunity to do these estimates—delivered his remarks with all the enthusiasm of a funeral director presiding at a pauper's funeral. Perhaps what we heard on the radio and in other media recently about the present Treasurer not being enthusiastic about his new job is indicated by the liveliness and enthusiasm with which he delivered his remarks, of which, incidentally, he did not provide a copy this afternoon.

Hon. Mr. Grossman: I need a bigger audience.

Mr. T. P. Reid: Do you?

Hon. Mr. Grossman: Three Liberals are not enough.

Mr. T. P. Reid: When the minister had an opportunity to go on television with me a week or two weeks ago he did not take that opportunity, but that is another story.

I want to make some general remarks and will deal with the specifics during the estimates. First of all, I might say I did not make my first comment lightly. Frankly, I am disappointed the minister stood in his place. He is not generally a boring speaker. He usually has a little fire to him, but he just delivered the same kind of mush we were used to getting from his predecessor, the member for Muskoka (Mr. F. S. Miller). He did not tell us an awful lot about where he wants to go, what the long-term prospects are or the long-term direction he has in mind.

I was taken with his defence, if that is the way I may put it, of the present government restraint program, pointing out that the provincial government's restraint program went back to 1975 and, presumably, the Henderson et al. report. It is interesting to remember, as my colleague the member for Essex North (Mr. Ruston) pointed out just last week, that up to the time the present Premier (Mr. Davis) took over, we had

budgetary—would the Treasurer tell me what the word is?

Mr. Ruston: He would not know it.

Mr. T. P. Reid: Not deficits, but the opposite of deficit.

Mr. Foulds: Profits.

Mr. T. P. Reid: It was not a profit.

An. hon. member: A surplus.

Hon. Mr. Grossman: Let's talk about the federal deficit.

Mr. T. P. Reid: We will get to the federal deficit. The fact of the matter is that under Mr. Robarts, we had a surplus in Ontario until 1971. We then started running—

Mr. Foulds: Not true.

Mr. T. P. Reid: With two small exceptions.

Mr. Foulds: Always before the elections there was a deficit.

Mr. T. P. Reid: Once the present incumbent took his chair as first minister, we got into deficit after deficit. In my economic background and in the Keynesian theory of things—and Keynes has always been misread—Keynes was of the opinion that when things were bad the government should prime the pump and run budgetary deficits. But what always gets lost in Keynes is the fact that when things are good and when the revenues are coming in and there is not high unemployment, then the government runs budgetary surpluses.

Here we have the present Treasurer with the same kind of platitudes telling us that we in Ontario should be happy. It is somewhat like the young child who killed both of his parents and then pleaded to the court on the ground that it really could not convict him because he was an orphan. Certainly there has been restraint of one kind or another in some areas since 1975, but it was the government in the beginning that ran up the deficits which made that necessary in 1975 when things were not as bad as they are today.

Hon. Mr. Grossman: Which programs didn't you want?

Mr. T. P. Reid: Let us talk about the restraint program, let us talk about Suncor, let us talk about government advertising, let us talk about speechwriters, let us talk about government limousines and all the rest of it and see how much restraint there really has been.

I find it somewhat unsettling to say the least. The first commitment this Treasurer made, to his credit, was when he came into the House, as

he said, on October 11, 1983, and stated that he was going to open up the budgetary process, a proposition that was put to his predecessor and this House by my leader and by me at the time of the last budget or shortly thereafter.

I was amazed that the new Treasurer would accept that suggestion, and he stated in his remarks today he is going to make it more of an open process.

What he also stated, on page 4 of that statement, was: "First, an economic and fiscal statement will be tabled in the third week of November. This document will include projections which set the stage for major policy decisions to be taken in the spring budget." The Treasurer told us last week and reiterated today that we are not now going to have what I suggested to his predecessor last year, a state of the economic union address, if we may put it that way, some six months after the budget to tell us where we stand in the province half a year after the budget in May and what has happened fiscally and economically in the province.

For instance, I notice the Treasurer did not tell us what the rate of unemployment is in the province as of November 28. He did not tell us whether the budgetary projection of 1.9 per cent of gross provincial product was on target, whether it was more or less, whether it could be sustained. I appreciate that the Treasurer has the treasurers' conference in Montreal on December 8. I also appreciate that the federal government has not come out with its programs of what it is going to do. But it bothers me that the Treasurer has not come through on the first commitment he gave to this House, nor has he given us a great deal today.

He has given us some figures that do not square with the figures we have in terms of job creation and all the rest of it, but he has not given us the economic indicators that are important; such as unemployment, how those figures break down, how many jobs have been lost due to structural problems in our economy, how many young people have been added to the list of the unemployed, what the gross provincial product is, what the levels of revenues and expenditures are, and so on. In particular, he has not told us what his real themes are.

He got around at the end to talking about retraining and restraint. I would have thought the minister would be ashamed to even talk about retraining. If I recall correctly, there are only about 1,300 in the apprenticeship program this year. As a province we know we are going to require within the next two, three or four years

something like 40,000 skilled jobs that are not now available in Ontario.

Did we hear anything about that? Not a bit. Did we hear anything about the long-term outlook for the province? No, we did not. What we did hear was the same old litany blaming Ottawa for all our problems. I am not here as a Liberal is a Liberal is a Liberal to say the federal government is blameless—

Hon. Mr. Grossman: As a Liberal-Labour.

Mr. T. P. Reid: I am glad the minister caught that.

I find it most interesting that the Ontario government, particularly in the form of its Treasurer, can learn the game so quickly. Even a less astute person such as Robert Duffy, writing in the *Toronto Star*—usually this gentleman seems to rewrite government press releases for his column—in one headline said, "Grossman Just Passing the Buck on Restraint." Even he is aware of how the minister is passing on all his fiscal and revenue problems to the municipalities, boards of education, universities, hospitals, etc.

It gets to be a bit of a "Who has the dirty end of the broom?" all at once. He says the feds have handed it to him and he has handed it down, except that this government started doing that years ago. Maybe the feds learned from it. Members may recall the Honourable Darcy McKeough's Edmonton commitment about the financing of education in Ontario, among other things, and his commitment that transfers would be at the same level as the revenues of the province. Also, I believe he was going to go to 60 or 70 per cent of the cost of education in Ontario, a figure that has declined, as anybody on a school board will tell us, to under 50 per cent in almost every case across the province.

4:20 p.m.

I am surprised the Treasurer even attempted to talk about his job creation policies or what is supposedly passing for those. I was surprised he did not mention that in the early summer we had 514,000 unemployed. Since that time we have lost another 93,000 jobs. One out of every four of those jobs is a youth unemployed.

He did not make any reference to the proposition put to him by the Liberal Party in a well-documented, well-researched job creation plan for young people. There is nothing on that at all, no reference to our program that would provide employment for people for up to a year under a program we figure would cost somewhere in the neighbourhood of \$113 million. It

is interesting that Quebec followed our suggestions very closely and came up with such a program.

I gather we are waiting for the feds to do something as well. It has not been announced, but I understand the feds are not going to continue the Canada-Ontario employment development program. I think in many ways the COED program has been a disaster. I am not going to quote all the articles I have on it, but it is obvious this program is not going to continue. It might be instructive to have one of the minister's reports or background papers, which he is telling us we are going to get, do an analysis of that program.

If one gets back to what the Treasurer indicated earlier, there is the provincial-federal pull and who is going to get the credit for it, and all the bureaucracy and red tape that surrounded that. What bothered me about that program was the length of time it took to get it going.

That is my concern here today in terms of employment. The minister is talking about a treasurers' meeting on December 8 in Montreal. Although he has not given us a commitment—and I hope he will today—the Treasurer will presumably make a statement in the House before we rise for Christmas as to what he is going to do about winter unemployment in Ontario. If we wait any longer, it will be June or July before any of these programs get off the ground because of the bureaucracy, the red tape and the problems of getting them going.

I cannot remember the figure, but I think the first COED program took between three and a half to four and a half months from the time it started until it was off the drawing board and people were employed. I cannot avoid the feeling—and I am not being cynical when I say this—that both the federal government and the Ontario government are using the old Mackenzie King ploy that if we just wait long enough the problem will solve itself.

I do not see how anyone in his right mind can believe that. Not only do we have the problems of the economic cycle to deal with, we still have these structural problems in our economy where jobs are being lost and new jobs are not coming in to take up that slack.

I have been disappointed with the minister's predecessor during the estimates and in the House in regard to productivity. I have attempted to engage the former Treasurer in some discussion about the whole topic of productivity. I notice that was one word that was pretty well absent from the Treasurer's remarks, although

his remarks were not very memorable in any case. However, I would have thought that at least he might have discussed some of these matters and talked about productivity in our industries and service industries, that if we do not work smarter, as some people have defined productivity, we are going to face an increasing unemployment rate in the province.

If I may put it this way, I think what we need, in Ontario in particular, if not in the country as a whole, is some kind of new social contract. What bothers me in the present-day climate is that labour, business and government seem to be drifting further apart rather than coming together and working as one. It seems to me that the whole issue of technology and productivity is central to a lot of the matters that are going to be before us in the next few years.

The government must take a stronger lead than it has in this regard, in providing incentives for improvement in productivity and displaying leadership. It is happening only in certain restricted areas in the private sector—and there are some companies out there doing a good job. Overall, however, there does not seem to be a thrust by government in terms of providing that kind of leadership, nor by industry and business completely.

Part of the problem is that the social contract seems to have broken down and, to some extent, labour is opting out of any discussions on productivity. They are afraid, in some cases understandably so, that increased productivity could well mean a decrease in jobs. As somebody has pointed out, however, if there is not increased productivity, there will not be jobs for anybody. There may well be jobs lost, but there should be policies and programs in place to provide for those people who might lose their jobs through increased productivity.

Do we see or hear anything from the present Treasurer, the main economic minister in this government? The Treasurer has been very quiet about almost everything related to his portfolio since he has taken it over. I for one think that the present minister, at least in his other emanations, was one of the bright, hard-working members of an otherwise sleepy government. I happen to know a lot of the civil servants in Treasury and they are some of our top-notch people across Canada, with the exception of the deputy minister, who sat up suddenly when I said that.

Having said that, the Treasurer has the talent and competence. Why is he so strangely silent? One can only assume he is getting his marching

orders from the Premier, who has said, in true Brampton Billy style, "We are not going to do anything about anything. We are just going to let things mosey along and hope for the best."

Just let me get diverted for a minute here. It is interesting to note that even the Treasurer, who is known—and I will mispronounce this word—for his chutzpah, who has that in larger amounts than almost anybody else in the government, did not make a big deal of the Board of Industrial Leadership and Development program, which is supposedly the cornerstone, the foundation or whatever one wants to call it of the government's economic program.

I have a quote here from Blair Tully. I just want to quote from an excellent article that was written by Martin Cohn in the Toronto Star, the headline to which was, "Three Approaches to Ontario's Big Growth Industry: Unemployment." The article states: "BILD secretary Blair Tully conceded in an interview that almost all of the 4,700 short-term BILD jobs listed in last month's budget will not be new jobs. They were, in fact, created in the previous fiscal year and will simply be continuing over the next few weeks and months."

4:30 p.m.

Even the Treasurer, with all the chutzpah in the world—

Mr. Foulds: If you are going to use the word, pronounce it properly. Otherwise, use "gall."

Mr. T. P. Reid: The Treasurer, with all the gall in the world, did not even refer to the BILD program. For that I give him credit because, somewhere lurking in the very depths of his soul, there is one bright light where even he knows he cannot in all conscience get up and say, "This is our economic program."

We are going to take that one apart—I give him fair warning. We took it apart in last year's estimates; maybe it is a waste of time to go through it all again.

Hon. Mr. Grossman: You sure did.

Mr. T. P. Reid: Well, your program has absolutely no validity and it has no credibility with anybody.

Hon. Mr. Grossman: That is why your colleagues begged to have the auto parts centre in Windsor.

Mr. T. P. Reid: That is not the point. Listen you have three civil servants supposedly running over a billion-dollar economic program.

Hon. Mr. Grossman: If you wanted a bureaucracy, why didn't you say so?

Mr. T. P. Reid: You don't need those three for the shell game you are playing. We only need the Treasurer to move the shells around because it has not fooled anybody.

It was interesting that one day I got under the skin of the Treasurer on this very BILD program and there were a lot of not too salutary remarks made about the program in the press, and the advertising budget for BILD went up immensely after that. That is how this government responds to criticism. They do not do anything about fixing the program or changing it or doing away with it; they just advertise more in the hope that they can fool the public. If you take a survey, as was done by one of the media, you will find that even the business community, which is the government's main constituency, does not believe it.

Given that this is their economic program, how can we have any confidence in the future of Ontario? They have not provided any future for us.

I was reading a book called *Stalemate in Technology* by Gerhard Mensch, a German economist. It is a very interesting book in that he paints a scenario that has happened in most industrialized countries. As you read the book, you can see happening in our own economy exactly what he is describing. His solution, which may be a simplistic one—perhaps not—is that what industrialized nations need is a new wave of technology to provide new products, better ways of doing things and all the research and development and industrial things that will go with a new wave of technology.

It is an interesting theory. It would be interesting to have a rational discussion of some of these things in this Legislature instead of spending the sort of time we put in discussing things that never seem to go anywhere.

I think the best speeches across the board I have ever heard were in the debate on declaring Ontario a nuclear-free zone. I did not vote for that motion because I felt it was largely irrelevant to Ontario, but I commend those who said what they said and who felt deeply about the issue. But what concerned me about that debate was that it was counter to what we tend to do here in the House, which is that we never deal with the real issues that the province of Ontario and this government can deal with.

My colleague the member for Huron-Middlesex (Mr. Riddell), the meek and mild-mannered gentleman beside me on my right, who knows more about the agricultural business in Ontario than the present minister and deputy minister

combined, will tell the House that we never talk about items relating to one of our basic industries in Ontario. We get a lot of rhetoric. We get a minister running around and running for the leadership. However, we never discuss real issues here. I suspect we are not going to do that here today either.

I have a number of questions on the estimates. However, before we get into the first vote, I wonder if we could prevail upon the Treasurer to give us an update of the economic indicators in Ontario. What is the present level of unemployment? What is the gross provincial product to this point? Where does he think things are going to go?

Surely all this information, which is only factual, has been done in preparation for the treasury conference in Montreal. Surely the minister—some four months into the job—has some ideas of what he wants to do, or at least can give us some parameters within which he is working.

We are in a period of restraint, for better or for worse. We all realize this. I think what most people in Ontario want to know is what happens in the rest of the 1980s and the 1990s in Ontario and what we are going to do when this period of restraint is over, when, presumably and hopefully, inflation comes down and when we get back to some moderating of the business cycle. As yet, we have had no indication of any of this, despite all of the talent in the Treasury.

The Treasurer also mentioned pension reform, and I am glad he did. I would hope he is going to give us some idea of Ontario's views on portability and increasing the Canada pension plan or increasing private sector pensions so at least people will be brought up to a level somewhat approximating the poverty line in Ontario.

Frankly, I am interested in what we are going to do with the pension funds from which we have been borrowing so heavily in the past to finance some of the deficits in Ontario. When are the funds we borrow from CPP or the old age pension going to match the money which we have to put back into the funds to make the payments.

There is another matter I would like to talk about briefly. If the credit rating of Ontario, which is now triple-A, went to double-A—I presume the Treasurer is talking about double-A—presumably we would go down about one quarter of a per cent. He indicated to me that would cost us something like \$500 million. I

trust the Treasurer would correct that. Surely it is not \$500 million.

Hon. Mr. Grossman: Yes.

4:40 p.m.

Mr. T. P. Reid: Could the Treasurer tell us what the long-term debt of the province is because I find that is an incredible figure. The only reason I find it incredible is that his predecessor indicated it would be \$40 million.

Hon. Mr. Grossman: But I said \$500 million over 30 years.

Mr. T. P. Reid: Over 30 years? The Treasurer did not say over 30 years.

Hon. Mr. Grossman: Yes, I did—over the term.

Mr. T. P. Reid: I think that is a little high in any case, but we will get—

Hon. Mr. Grossman: What is your figure?

Mr. T. P. Reid: My figure was a lot less than \$500 million, but I will go back to the drawing board. I do not have 947 civil servants to do this work for me; so I will go back and check my figure. I suspect \$500 million is a little high.

I want to give the Treasurer notice of one question relating to page 83 of the Ontario budget statement. Probably this has to be the first time in history that we have an expenditure estimate of \$24.825 billion; then at the bottom we have "Less: Constraints to be reported," minus \$300 million. Therefore, the budget plan comes out to \$24.71 billion, an interesting smoke and mirrors game all by itself.

The Treasurer indicated in his remarks, and we know from the Ontario financial statements of June, that the \$300 million of constraints had been found and that program was all in place; that \$300 million had been cut from a budget that did not exist, because the bottom line was already \$24.71 billion. That part is quite a piece of legerdemain. I would like the Treasurer now, if he is able to give it to us, to provide us with a list of where the \$300 million was cut from— which ministries, which programs, which people, whatever.

Hon. Mr. Grossman: I have it right here.

Mr. T. P. Reid: Good. I would appreciate having it. This is exclusive of the figures the Treasurer has given us for supplementary estimates and ones we have had increases in. We would be glad to see that.

I hope that whole idea is not something he is going to continue with. I think it is very misleading to the public generally to say: "Here is our budget. Here is the total figure. By the way, we

are going to constrain ourselves by \$300 million; so all these budgetary figures do not mean anything." The reasonable way to do that would have been to cut out the \$300 million to begin with.

If the minister walked into General Motors, Inco or anywhere else as a chief executive officer or comptroller and said, "Our budget is \$10 billion, but really it is only \$9.7 billion because we are going to cut \$300 million out over the course of the year because we do not need it or we can get rid of it," they would throw him right out the door.

Hon. Mr. Grossman: Unless we found the \$300 million, which we did.

Mr. T. P. Reid: It does not make sense to do it that way, and nobody believes it makes sense to do it that way.

It is interesting that the Canadian Institute of Chartered Accountants is spending a lot of time and money doing a study on government accounting measures, because people across Canada cannot compare government accounts one to another across this country. In Ontario we have significant accounting changes and budgetary changes that go willy-nilly depending on the requirements of the day. For the first time, for instance, the then Treasurer last year in talking about his budget said, "All these capital projects of \$2.65 million really should not be part of the estimates procedure or the budget because they are capital goods we will have," as if it did not cost money to build them.

What kind of hocus-pocus is the Treasurer trying to play on the people of Ontario? If he were concerned about good management and doing it, he would not have to come up with this kind of nonsense. I reiterate that I would like the information I have asked for. I would like to know what the Treasurer's thinking is in terms of what the economy of Ontario is going to be, not before Christmas, not even next spring necessarily, but where we are going to be heading or where we are heading in the next few years, because the picture is not all that good in the short term.

What is frightening to me and to a lot of other people is that there are no guideposts, no signposts, no direction and no beacon for what the provincial economy is going to be like within the next five years. That was one of the disbenefits, if I may use that word, of minority government. It was also a loss when the former Treasurer, Mr. McKeough, left the government, because in those days we were planning at least five and

sometimes 10 years ahead. People had some kind of guidelines to look forward to.

I realize the economic consequences if the minister says, "This is what we expect is going to be down the road as far as actual numbers go" and it does not prove out: everybody is going to be screaming and saying he was wrong. That is one issue. But surely the minister can tell us where he sees Ontario going, where the jobs are going to be, whether they are in the service sector, the industrial sector or the financial sector. What are we going to do in terms of technological change? What are we going to do in terms of productivity in this province? All those things are of concern to each and every person in Ontario.

I say to the Treasurer that if he does not provide that kind of leadership, his leadership will not be going anywhere.

Mr. Foulds: Mr. Chairman, in these opening remarks, there are 10 points I would like to make briefly.

First of all, this ministry used to be known as the Ministry of Treasury, Economics and Intergovernmental Affairs. First, we had intergovernmental affairs chopped away and set up as a separate ministry. What we are seeing today is that this ministry is rapidly disappearing as an economic ministry and it is becoming merely a fiscal ministry. It is becoming an accountant's ministry. Perhaps that suits the incumbent minister, but it does not suit the people of Ontario.

If one leafs through the spending estimates, as I did over the weekend, it can be seen that there has been an enormous decline in the ministry's emphasis on economic policy. The ministry will trot out bills. It will trot out all those programs that were fudged together during the course of an election campaign. Subsequently, government members scrambled like blazes to find some substance for the alphabet soup they created during the course of the 1981 campaign—the Board of Industrial Leadership and Development program, the Innovation Development for Employment Advancement Corp. and all of that.

But the fact of the matter is, as one studies the estimates of this ministry carefully, that it has consistently over the last few years neglected and abdicated its responsibility for economic planning, economic policy and economic diversification.

Since 1975, for example, in the ministry's estimates booklet, it is proud to trumpet that it has eliminated 69 economic policy positions. It is glad to trumpet that it has dissolved the

economic research branch and saved \$617,000. But at what cost to the people of Ontario and the future of Ontario has the ministry dissolved its economic research branch?

4:50 p.m.

I suggest that as this government lurches from crisis to crisis, as it lurches with makeshift programs such as Bill 179, harsh though it was, and Bill 111, which is not an economic policy, let alone even a fiscal policy, both of those pieces of legislation are simply legislative means to help the government keep its books in balance. That is why I say the ministry has become a mere accountant's ministry. It has given up on planning the economy of Ontario. It has given up creating jobs.

For example, in his leadoff speech today the Treasurer said, "Nothing is more important than long-term job creation in this province." What did he do? He talked about one thing, and that one thing was the apprenticeship program. It takes more than a dynamic and vital apprenticeship program to create long-term jobs in this province, important though that program may be. It takes a heck of a commitment from this government, and particularly from this ministry, for that kind of job creation. This government does not have that kind of commitment; the spending estimates we have before us to be voted upon show that more and more.

I would like to speak about the increase in the public debt. I may very well be advocating some kind of heresy on the part of a democratic socialist party in these debates, but we are in the Ontario Legislature, we are not in the real world, so one can be free to advocate this idea without any hope of it either being picked up, paid any attention to or acted upon.

As I look at page 23 of the briefing book, dealing with vote 902 of the Treasury program, where it indicates that there has been an increase of some \$437,000,636 in the public debt under the Financial Administrative Act for this year over last year, it strikes me that this is a matter of some significance.

When we are getting an increase in the public debt, and I see in other places in the estimates that there has actually been a 24 per cent increase in the interest on the public debt, we are reaching a point where we must pay some attention to that. If that is the case, then this Treasurer and this government have to do more than open up the budgetary process. They have to do more than say they are going to consult with the people and the public before they bring

in a budget. They must have the guts to find ways of getting additional revenues.

When we get to the actual budget debate, I will be outlining some of the ways in which we legitimately think the government can get additional revenues. But when it has a 24 per cent increase in the interest it is paying on the public debt, then I say that is a matter of some concern. I am not saying this merely as a legislator but as a person who believes it is the responsibility of the government of this province and of the Legislature of this province to point out the folly of our ways.

The previous speaker indicated that during the 1970s, once the member for Brampton (Mr. Davis) became the Premier of the province, it was the custom for this government to run deficits. That is true. However, it is even more interesting that the member for Beaches-Woodbine (Ms. Bryden), when she was the research director for the New Democratic Party before she was elected to the Legislature, charted very carefully the expenditures of the provincial government. One saw, in the 18 months leading up to any election campaign in the late 1960s and 1970s, that there was deficit financing so that the government could buy its re-election.

The myth that emerged in the 1970s, and is currently the case, about Darcy McKeough being the embodiment of fiscal restraint is absolute balderdash, because it was Darcy McKeough who, as Treasurer, ran a consistent series of deficits throughout the 1970s. This model of fiscal restraint was the biggest breacher of fiscal accountability and fiscal balance that the province has ever seen.

His successor—in fact, he had two successors; there was an interregnum with John White, who was also a big spender—the member for Muskoka (Mr. F. S. Miller) and the present incumbent in the job inherit, to their detriment, but more important to the detriment of the people of Ontario, that profligate spending where the Tories tried to buy their way into government from 1971 to 1977.

In political terms, it was obviously enormously successful. They did buy their way into government in 1971, 1975, 1977 and 1981. They did use the taxpayers' money to bribe the taxpayers to re-elect them. But I suggest that government and leadership require more than that: they require responsibility. There has been a total lack of responsibility on the part of the Davis administration since its inception in 1971.

What has happened is that even the government now recognizes that. That it is why they

prate on about the necessity for fiscal responsibility and restraint at this time. But I suggest they are doing it unjustly and unfairly. The method they have chosen to exercise their restraint works undue hardships on public servants, particularly on those at the lower end of the scale who have given good service to this province and to the public of this province.

I suggest as well that if there is to be genuine restraint in this province, then it is time the government itself not only displayed and exercised that restraint but, in symbolic ways, also displayed responsibility and restraint too.

Examples come readily to mind about restraint: such as designing the government telephone directory, a deputy minister of this government exceeding his mandate without going through Management Board orders and the practices of the Minister of Industry and Trade at the time, now the present Provincial Secretary for Justice, the member for London South (Mr. Walker).

It behooves every single minister, every single deputy and every single manager in government to exercise restraint on what they think of as their due rights—their frills, if you like—everything from government limousines through to the Premier's jet, which was cancelled, I admit, and the government telephone directory.

There would be a lot more belief in the government and its restraint if its restraint were aimed at those things that justifiably could be restrained and not at the social service recipients of this province, who are harshly and unduly hit.

The fourth item I want to talk about just for a moment is the lot of social assistance recipients in this province. I do not think my experience is unusual. Since the great recession of 1981, I am sure every single one of us who has any kind of responsibility as a constituency man, any one of us who considers his responsibility as a legislator is not merely here to speak in the House about matters of policy but also as a matter of priority to talk to constituents and to do what he can to help them in their constituency cases, has run into a ballooning, a growth in constituency work that is quite phenomenal.

The week before last, for example, in my constituency office, we actually charted the number of contacts we had with the public. There were 200 phone calls, letters or people dropping into the office. The reason for that is very simple. In the tough economic times we are experiencing, it means not only that people are coming to talk to their MPPs about jobs and seeing whether they can get a job but also more

social assistance cases. They get more cases in compensation and more pension cases because people are feeling so tight to the bone that they resurrect every kind of avenue, every kind of case which they think might assist them to get a little more income.

5 p.m.

That is what the man-made recession of 1981 to 1983 has done, that is what government's so-called restraint has done. It is happening in communities all over this province. People who are justifiably entitled to social assistance under the terms of the legislation of the Family Benefits Act and the General Welfare Assistance Act are being told they are not eligible.

Most of those people do not have the sophistication or knowledge to recognize when they are eligible. If some bureaucrat or receptionist in a social assistance office says, "You are not eligible," most people walk away without questioning it. Some of them find their way to our offices. Most of them do not even get it in writing. Most of them do not even know there is an appeal system, but what happens is that we have to take those appeals. That means another six weeks and we have to fight like blazes with the local administrator of general welfare assistance to get any of that kind of assistance.

My community, Thunder Bay, happens to be the primary centre, the hub of the whole northwestern Ontario region. We act like a capital city for that region of the province and we get all kinds of people coming there who, through no fault of their own, find themselves unemployed or in some dire straits in their own communities, and we have them being turned away by the social assistance administrators because they do not reside in Thunder Bay.

There is no residency requirement under either the General Welfare Assistance Act or the Family Benefits Act, but they are denied it and they are given a bus ticket and told to go home. That is the kind of social assistance they receive. That is the kind of sick system we have today.

What is happening to those people is they do not get the opportunity to develop their skills to work. They are given no work opportunities, and they are given a short-term ticket back home where they will be somebody else's social assistance problem. That indicates, more than anything I can say, the lack the economic planning, the lack of job creation and the whole, sad sickness of the economic situation we find ourselves in today.

I am up to about point 5. I would like to point

out that when I went through the votes and the amounts to be spent on regional economic development, which is the key to development in this province, I found there was a reduction in the expenditures. Not only that, with my usual bias for northern Ontario, as I went through the estimates I said: "Holy cow, not a cent of development for northern Ontario. It is all for eastern and southern Ontario."

A little warning light at the back of the enlarged nerve ganglia at the base of my skull came on and said: "Warning: maybe that is under the Ministry of Northern Affairs. Maybe that budget is in the pork-barrel of the Minister of Northern Affairs (Mr. Bernier)." That minister's approach to economic problems is if there is a problem throw money at it; do not develop the region, do not develop jobs, do not diversify, just throw money at that problem.

Yes, there were considerable amounts of money, when I checked it out, in the northern economic development program, vote 702, of the Ministry of Northern Affairs. However, in the expenditures for northern Ontario development there was a reduction of \$15,842,700 from last year.

I suggest to whoever may be listening in the government that this is just the time when there should be an increase in northern Ontario development, when we have the extraordinary unemployment we are experiencing in northern Ontario towns from Timmins to Sudbury, Thunder Bay, Fort Frances—perhaps not so crucially there, because it is a one-mill town and the mill happens to be operating, but when we have double-digit unemployment in almost every single northern Ontario town, this is just the time we should be diversifying the economy.

Surely this province's primary strength is the diversity of its regions; the very different economies that exist in the Niagara Peninsula as opposed to southwestern Ontario, northwestern Ontario, northeastern Ontario or Metropolitan Toronto.

Unless we get back to thinking, without the flim-flam and without the slides of the Design for Development programs in the early 1970s, we are not going to have a province that is richly diversified and developed, we are not going to have regions of this province that have their own economic sense of wellbeing and we are not going to have economic infrastructures in each of the regions of this province.

As I went through this ministry's expenditures and looked at the projects that were funded under regional economic development, I noticed

a hybrid poplar research project here, a sewage treatment plant there and a downtown revitalization program somewhere else. I just picked out three because those seemed to be typical of the economic development programs this ministry was into.

I suggest those are important, worthwhile and good projects, but I also suggest they are not fundamentally economic projects. They are not fundamentally job creation projects in that they do not create a good, strong, diversified economy. They are ad hoc projects.

They are the kind of projects that create some jobs; there is no question about it. The hybrid poplar may eventually do something to increase the kind of fibre and the kind of trees we grow. We know that any downtown revitalization means some immediate construction jobs and a revitalization for that particular downtown. We know a sewage treatment plant means some improvement in that municipality's sewage treatment and some creation of short-term construction jobs. However, it does not create an economy. It does not revitalize the manufacturing base which this province has been so justifiably proud of and which has been the strength of our economy.

I suggest the regional economic development program of this ministry is not a sham, but it is only a small first step. It is not really a regional economic development program. It is a very small first step. We have no comment from the Treasurer or his officials that this will lead to technological or manufacturing development or diversification. Unless we have the three keys of improved technological development, improved diversification of industry and an improved manufacturing sector, we will have a Toronto-dominated economy that will become merely a service-centre economy.

Finally, I would like to say that the regional economic development program, as it has failed to be enunciated by the government, gives one the uneasy feeling that the government is still operating this province as if it were the corner store, on a sense of ad hoc development.

5:10 p.m.

As a matter of fact, one of the interesting things that struck me is that the only area in which there has been genuine development and creation of jobs in this province is in the lottery industry. I think this is symbolic of the sickness of the approach of this government to developing an economy in the province. When one has people like Mr. Hall, Miss Penelope and so on as the leading new people about whom soap operas

and articles are being written in the business section as well as the entertainment section of the Toronto dailies, there is something badly skewed about our priorities.

That gets me to the sixth point that I want to make and that is the point about government priorities. As one goes through the line-by-line estimates of this ministry, it struck me that this ministry is contributing more, for example, to the Metropolitan Toronto Convention Centre at \$37 million than it did to provide equity for the Urban Transportation Development Corp. to acquire the Can-Car plant in Thunder Bay and other expenditures by \$5 million. It seems to me to be quite shocking that the ministry would spend \$5 million more on a convention centre, important and valuable though that may be, than it does on developing a genuine manufacturing industry in Kingston and Thunder Bay.

If I may say so, it also struck me as being very strange that the committee to study a domed stadium in Toronto—what Orland French has called the Premier's wish-fulfilment committee—has assigned to it \$300,000, over a quarter of a million dollars, for a private committee appointed by the Premier to study whether or not we should have a domed stadium in Toronto.

I agree that a domed stadium in Toronto is probably the fundamental political issue of Metropolitan Toronto today. It may even be the fundamental political issue of Ontario today, the Argonauts having won the Grey Cup by the skin of their teeth finally after 31 years.

I suggest that for this ministry to be spending \$300,000 to pick up the tab from Ontario Hydro for Hugh Macaulay to look at whether or not we should have a domed stadium in Metropolitan Toronto is nonsense. I think an extra \$50,000 for travel and examination by Mr. Campbell and one of his assistants could tell us whether or not we need a domed stadium in Toronto. It would provide a little light relief from his heavy responsibilities as deputy minister. I know Mr. Campbell would certainly enjoy seeing one or two sporting events under a domed stadium to test them out. Don't go to Minneapolis whatever you do, Mr. Campbell. It is hot and humid in there all the time.

Why we have to spend \$300,000 for Hugh Macaulay and a set of private advisers I do not understand. Frankly, I agree with my colleague the member for Rainy River (Mr. T. P. Reid) that we have some very capable people within the public service of Ontario and in the Treasury, and I am sure an interministerial commit-

tee composed of one or two people from Treasury and Tourism and Recreation could do the job in half the time, with at least one fifth, if not one tenth, of the expense. Not only that, they would enjoy doing it, I am sure.

The next point I would like to make, which I believe is point 7, is the whole question of classified and unclassified staff. This minister and this government like to trumpet about restraint, but if we actually look, there has been a phenomenal increase in this ministry's own budget in unclassified staff. That increase is something like 43 per cent in man-years. The decrease in classified staff is 1.7 or 1.9 per cent.

I suggest to the minister that if he is going to have a good, hardworking and loyal civil service, we have gone overboard in doing away with classified staff and increasing the unclassified. The reason for that, of course, is very simple. It is a straight fiscal reason. It means that the unclassified staff do not need to have benefit packages, they do not need to have vacation pay, because he lays them off at the end of nine months or he extends the contract and all of that stuff.

That is a very chintzy way to run a corporation, let alone a government. I suggest that is one of the more serious problems facing us. It is not a big political issue out there in the province. It is not a major vote-getting device, but I suggest it will, in the long run, harm the development of proper programs. It will harm the development of proper expenditures in this province.

I want to talk briefly about BILD. When we look under vote 904, item 3, industrial leadership and development fund, we see a whole range of projects. I remember so well when BILD was unveiled just prior to the 1981 election. I guess the term "smoke and mirrors" has been used more about the programs of this Treasurer than those of any previous Treasurer. I do not know how that cliché comes to be the current cliché with regard to this Treasurer.

Hon. Mr. Grossman: Is that the only dumb criticism you can think up?

Mr. T. P. Reid: I started it.

Mr. Foulds: If you started it, then that is not a phrase I would be particularly proud of. I actually think you and the leader of the New Democratic Party were neck and neck for the phraseology.

Mr. T. P. Reid: I said that before the present leader, who won't be here long, was here.

Hon. Mr. Grossman: Feel better now, Pat? How does that make you feel?

Mr. Foulds: That should make them both feel very good.

The whole question of smoke and mirrors, the whole question of a lot of show and not much fire, the whole question of reflection and not substance really began with the BILD program. They had all of the technological equipment over at the Macdonald Block when it was first unveiled and they talked a good game about how this was going to revitalize the province. But when we really got down to it, it was just a grab-bag collection of expenditures they put together in one of those acronyms that sounded very good. It was probably Hugh Segal's finest hour in terms of his contribution—and I use that word "contribution" loosely—to the public sector of Ontario.

As we go through pages 52 to 54 in my estimates booklet, I suggest what the Treasurer has is not a coherent plan of economic development, what he has is a grab-bag. He has some money for rail upgrading, he has some dry dock construction there, he has a guarantee for railroad development around Oshawa and harbour development in Oshawa, he has money for forest management agreements, he has money for the IDEA Corp and he has money for hybrid plantations.

5:20 p.m.

The most ironic one was under "people." What this program is really good at doing is sort of listing headings to make them look good. Under "people," there are high-technology equipment funds for agricultural colleges. How that classifies as an expenditure for people, I am not quite sure.

To put it mildly, what I am suggesting is that the government is stretching it a bit to trumpet the BILD program as a new, dynamic, development program for the province. What it is is a grab-bag program for patronage in the province. What it is is a bit of money here and there to try to get the votes in swing ridings. What it is is a lot of hype during an election campaign and not much substance afterwards.

I would suggest that may be fair politics, but it is not very good economics. Until a government in this province has the guts actually to spend money developing the province as a whole and developing those ridings and areas where it does not hold seats—and it will never have a hope in heck of holding seats—this province will continue to be operated as if it were a cornerstore

instead of the major economic province of this country.

There are just three more points I want to make. I will make them again and again and again in this Legislature while I am the Treasury critic for this party. It seems to me it is important that we concentrate on three things.

We should concentrate on developing a long-term economic strategy for this province which gives a rebirth and a renewal to our manufacturing sector. Until we develop a Ministry of Treasury and Economics which is once again a ministry with power and clout, it will not happen. Until we develop a ministry with a commitment to economic policy, to economic planning and to economic development, it will not happen. Until we have a minister who is not content merely to mouth the platitudes we heard at the opening of this debate and a ministry which is not content merely to put its fiscal finger in the dike from time to time, we will not have a ministry worth talking about and we will not have a government worth talking about when it comes to economic development.

I have now said three times in the Legislature—or two times, and I am going to say it for the third time—we have double-digit unemployment in this province. Every one of those people, the more than 400,000 who are unemployed, is a human being who represents a family that wants the dignity of work. This government has not given a commitment to that dignity. This government has not created a long-term job creation program. It has fallen woefully short even in its winter Experience program of creating short-term jobs.

I noticed an article by Kelly McParland in the *Toronto Star* today. Gregory Baum, a sociologist who teaches at St. Michael's College, said in very blunt terms that until there is a commitment for full employment and social security we will not get any kind of social contract between a government and its people. "The contract with society is over; full employment is not really the goal at all." I am quoting Gregory Baum directly.

Don Lee was the co-chairman of the forum at Bickford Park high school over the weekend organized by the Committee for a Popular Assembly, a coalition of church, labour and social groups. He said: "I don't think there really is a genuine commitment to full employment in the government of the day. Their policies generate high levels of unemployment."

I think that is the greatest single disappointment this Treasurer has provided. There has

been no statement and no commitment from him or his ministry to aim for full employment. There is no commitment from the federal Liberal government to full employment.

I have suggested twice to the Treasurer that while we have double-digit inflation in Ontario, while there is double-digit inflation in almost all the major cities in Ontario, there is a government not worthy of its name and a ministry not worthy of its name. There is a ministry that is not worthy of the name of Treasury and Economics. The minister likes to talk about five per cent inflation and how we have met that goal. If we have met that goal, then surely to goodness it is time to meet the goal of heading for five per cent unemployment in the strongest possible terms and in the shortest possible time.

Until we have brought unemployment down to five per cent this year we will have had a minister who has accomplished nothing. If we do not bring unemployment down to five per cent, we will still have hundreds of thousands of people thrown on the economic scrap heap and we will still have hundreds of thousands of people who desperately want but do not know the dignity of work.

I have suggested before and am going to suggest again that it is the Treasurer's responsibility to adopt immediately a five-point winter works program. I would like to outline those five points.

1. The ministry should announce its abandonment of the social service maintenance tax and return those moneys to Ontario's economy. It should give that money back to the consumers of Ontario so they can start to generate at least a part of a consumer-led recovery.

2. The government should enrich its own capital spending program.

3. The government should implement the comprehensive energy conservation program announced as far back as 1980 as an energy policy for the province by the then Minister of Energy.

4. The province should announce a housing construction program, particularly for public sector family housing, for which there is a crying need. There are waiting lists that are simply unconscionable for such housing in every major community throughout Ontario. That should be in the public sector and in the co-operative sector.

5. Before the House rises, this government should announce that kind of winter works program and do a winter works program through municipal governments so that in every com-

munity they can take off the shelves capital projects they had to shelve because of the so-called government restraint program.

The trouble with the government restraint program is that it has put a major restraint on employment. It has not put a major restraint on the big spenders in government such as Alan Gordon and the Provincial Secretary for Justice.

Finally, I want to say I agree with the previous speaker. One of the most moving, most sensitive, most articulate debates in this Legislature was held last week on the question of the nuclear weapons free zone in Ontario. Surely to goodness if this Legislature can put its mind to such an international question, important as it is, this Legislature and this government can put its mind to declaring war on unemployment, because the war on unemployment is a war that we could win in this province if we had a government with a will and a determination to do it.

5:30 p.m.

Hon. Mr. Grossman: Mr. Chairman, I approach this debate as I indicated a couple of hours ago, with much anticipation, hoping to get what I have become accustomed to in the last three ministries in which I have presented estimates, and that is a lot of good ideas and a lot of constructive suggestions from my critics on some ideas for rebuilding the economy and improving a number of things our ministry is doing. Unfortunately so far, I have been greatly disappointed, but I am sure this will improve over the next day or two.

I would want to respond, as I know my friends opposite would want me, to some of the points they made. Right off the top both speakers have referred to the extent of the Ontario deficit. I thought it might be instructive and informative for them to have a little bit more information.

Might I say that when one compares the cash requirements of this province as against those of the other provinces and, of course, the federal government—

Mr. Haggerty: You are leading in that area.

Hon. Mr. Grossman: The member for Erie should not have said that because we are really not. Perhaps he would like this information so he could put it in his next newsletter to his constituents, and I do hope he will. I will send it over to him.

As a percentage of the total expenditures, only two provinces have a lower percentage of their expenditures consumed by their cash requirements.

Secondly, a most important measurement and one that, I am sure, will mean the most to very many people here, is how much debt we are taking on on a per capita basis, how much debt is being loaded on our taxpayers to be repaid with the interest by those residents and taxpayers of Ontario today and in future years. That surely is a good measure of the degree to which the citizens are being asked now to bear the burden of the deficit. Therefore, it is a good measure province to province and one which many of the rating agencies look on as a fairly important one.

Ontario has the lowest debt per capita in the country, I would say to my friend the member for Erie, the member for Rainy River and the suddenly fiscally responsible member for Port Arthur (Mr. Foulds), who was complaining about governments that spent a lot of money a moment ago. The member for Quinte (Mr. O'Neil) should have been here. He would have enjoyed the member for Port Arthur complaining about governments spending too much. Could you believe that?

Mr. Foulds: It depends on whether you get equity or not.

Hon. Mr. Grossman: Let us just look at these measurements. The member for Port Arthur has said it depends if one is spending for equity or not. If he gets a chance, he might look at table 6 of the very fine budget brought in last May. Page 49 will indicate to him that in all but three of the last 10 years we have been following exactly the kind of responsible deficit budgeting that he himself is talking about. Our capital investment in all but three of those 10 years has been greater than the deficit we have run. So we have been doing exactly that. The extent to which we have had a deficit in all but three of the last 10 years has gone towards building the capital infrastructure that is so important to Ontarians.

Second, in terms of the per capita cash requirements, let us just look at the numbers. I should like to read them into the record because I know members will want to put them in their newsletters. While certain provinces have very large cash requirements per capita, Saskatchewan has the largest in the country.

Mr. Nixon: That is another Tory province.

Hon. Mr. Grossman: Perhaps it has inherited some problems, but Saskatchewan's is \$1,416 per capita. Alberta is next with \$1,106.

Mr. Haggerty: What happened to the heritage fund?

Hon. Mr. Grossman: British Columbia, which has just begun to face up to its problem, also inheriting the problems of the Barrett times there, has \$991 per capita.

Mr. Foulds: Another arch-Tory province.

Hon. Mr. Grossman: The member for Port Arthur will regret to hear, however, that Manitoba is next with \$714 per capita. Then comes New Brunswick with \$699 per capita.

Interjections.

Hon. Mr. Grossman: Nova Scotia, \$637.

The Acting Chairman (Mr. Gillies): Order. Will the members please let the Treasurer continue his comments without interjections, please?

Hon. Mr. Grossman: Newfoundland, \$510.

Mr. Ruston: What about Saskatchewan?

Hon. Mr. Grossman: Saskatchewan, \$1,416.

Mr. Foulds: What do you expect after two years of Tory rule?

Hon. Mr. Grossman: Let us save some time and get right to Ontario, which is the lowest in the country by a substantial margin at \$307 per capita.

Mr. T. P. Reid: Is that in terms of net cash requirements for this year or total debts?

Hon. Mr. Grossman: Which one do you want? Do you want total debts? We will get them all for you. Right now I have in my hand the cash requirements for the members to reflect upon in this difficult—

Mr. T. P. Reid: We have the largest population with some eight million people compared to fewer than a million in most of the other provinces.

Hon. Mr. Grossman: You will get your chance to respond.

The Acting Chairman: Order, please. I am showing a little latitude. We are in committee and not the House, but I would ask the members to keep their interjections down a bit. Thank you.

Mr. Foulds: The minister is being provocative.

Hon. Mr. Grossman: The facts are always provocative, I understand.

Mr. T. P. Reid: It is a matter of clarification.

Hon. Mr. Grossman: So that members can have those figures in some perspective, let us be clear, Ontario is at \$307 per capita, and the other provinces range up from there all the way to \$1,416 per capita. Let any members want to put out the proposition that it bears a very direct

relationship to population, the data I have indicated do not support that contention. They simply reflect one thing and that is good management.

Let us also look at what the rating agencies do.

Mr. O'Neil: We can scarcely wait.

Hon. Mr. Grossman: The members do not want to hear this, do they?

Mr. Nixon: How about a per cent of the provincial product? Would the minister go through that?

Hon. Mr. Grossman: A per cent of the provincial product? Yes, I have that. The member wants a per cent of the gross provincial product. Let us get that.

I want to read Moody's Canadian credit report of November 16, 1983. The first item it reports is the general opinion it has with regard to Ontario's fiscal security. Let us read it.

"A diversified and wealthy economy supports a modest and apparently stabilizing level of debt. Growing budgetary deficits have been a concern, but this trend appears to be slowing because of economic improvement and revenue and expenditure measures adopted in the most recent years."

It goes on to say under recent developments: "Economic recovery, beginning the first quarter of 1983, and fiscal restraint measures"—opposed by the New Democratic Party—"introduced recently should begin to improve financial performance in the next fiscal year."

Let us go into their analysis. It says: "Ontario's economy is wealthy and well-diversified. It has been able to overcome recent cyclical pressures and modest recovery is under way, although some sectors continue to lag. Substantial increases in budgetary deficits in recent years are principally due to economic conditions and significant expenditure increases, especially for health, educational and social programs."

5:40 p.m.

That is really quite significant. It is not any self-serving analysis provided by this government. It is the most objective analysis one can get. It not only reflects continued confidence, as reflected in their credit rating, triple-A, but also reflects their in-depth analysis of the reason for the deficit, which is economic circumstances and our continuing commitment to health, educational and other social programs.

Mr. Foulds: That's the shortest in-depth analysis I have ever heard.

Hon. Mr. Grossman: If the member for Port Arthur wants an in-depth analysis, this is the summary, provided on page 1, and it is available to him. Perhaps he could have his former researcher, the member for Beaches-Woodbine, do another of her in-depth analyses. It is available even to the New Democratic Party.

Mr. Foulds: Why are you throwing it in the wastepaper basket?

Hon. Mr. Grossman: I am not. I am saving it for the member's leader to walk into one day.

The member for Brant-Oxford-Norfolk (Mr. Nixon) asked a moment ago about our cash requirements as a percentage of gross domestic product. Now that he is here, I know he will want to hear the results of that. I think he suggested or was hoping that an analysis of our cash requirements as a percentage of gross domestic product would show—

Mr. Nixon: Don't impute motives. I want to see how close you are to \$9.

Hon. Mr. Grossman: As a percentage of GDP, Ontario's cash requirements are 2.1 per cent, not surprisingly the lowest in the country; and he will want to tell his colleagues that the second highest in the country—

Mr. T. P. Reid: We still have more than 400,000 unemployed in the wealthiest province in Canada.

Hon. Mr. Grossman: The second highest in the country—and I know the member for Rainy River will want to share this with his brother—is the federal government, with 7.6 per cent.

Just so members will have a full feel for this, the closest province to ours in terms of the lowest cash requirements as against GDP is Prince Edward Island, with 3.9 per cent. So much for the member for Rainy River wanting to say it is a function of population. The lowest after ours is 3.9 per cent, almost twice as large as ours; after that, the next lowest is 5.3 per cent.

Almost every government in this province is spending and deficit budgeting at a rate of between five per cent and eight per cent of gross domestic product, except for Ontario, which has its expenditures down to 2.1 per cent of gross domestic product. I am glad the member asked.

Someone also asked—I think it was the member for Rainy River—what that was in terms of our debt per capita and not just the deficit per capita. It is with some disappointment that I report that we are not number one in that category; but we are number two, behind only Alberta.

All in all, during the course of the balance of these estimates, members might try to test me against other measures to try to prove that our deficit position is not the safest and the strongest in the country, but I will continue to try to show that it does continue to rank among the best and the strongest in the country. However, if members think of other criteria, I will be pleased to test them for them.

The member for Rainy River, I know, has been most supportive of the new budgetary process we are adopting, the open consultative process. I must admit that we have not had the autumn economic statement as early as I had intended to have it, but I do know that he does support the new initiative and will find that the information he will have this fall, long before the budget, is far in excess of what he has ever had before, and I know he will use it appropriately.

The reason for the longer time frame than promised on October 11 is very simple. The restraint program took us an extra seven to 10 days to get in place, and therefore we had to defer all our attention to that program for a week and a half longer than anticipated.

We are now working on the autumn economic statement and are giving it a lot of attention. However, the scheduling of the finance ministers' meeting, which was not then anticipated for December 8, and the Macdonald royal commission, which is occupying some of our time, before which we will make a presentation next week, have intervened a little and caused us to devote our resources to three or four concurrent activities. None the less, the economic statement will be available and much of the information the member seeks will be contained therein.

We would be pleased to provide any of the information the Liberal critic requested. For example, he was wondering what we anticipated in terms of our growth as against a projected 1.9 per cent. We believe it will be higher than that at the end of this year. Our projections for unemployment next year will be contained in the economic statement. It is worthy of note that our unemployment rate is lower than most people anticipated; it is down to 9.2 per cent. It is still too high, but it is substantially lower than most people predicted.

Mr. T. P. Reid: Are those Statistics Canada or Ontario Treasury statistics?

Hon. Mr. Grossman: The unemployment projection is from Statistics Canada; it is 9.2 per cent for October 1983.

It is also worthy of note that the unemploy-

ment rate for full-time workers in Ontario was 7.9 per cent in October. That is 2.1 percentage points lower than the previous year's rate. It is quite a strong performance. As I said, we still have a long way to go, but it is a rate significantly lower than most people anticipated.

Mr. O'Neil: Are you going to Ottawa with those suggestions?

Hon. Mr. Grossman: We always do.

So that members will have a perspective on this, Ontario's unemployment rate in October 1983 was down much more than most people anticipated, 9.2 per cent. Saskatchewan is the only province with a lower unemployment rate. Ontario's rate is significantly lower than the national average of 11.1 per cent. Members will realize that with Ontario down at 9.2 and comprising so much of the country's population, the other provinces will be substantially higher than 11.1 to average out at 11.1. All in all, there has been a much stronger performance for Ontario in 1983 than was anticipated.

The member for Rainy River expressed some concern about the Canada-Ontario employment development program. We have had some concern about how quickly it got together, and he was suggesting it is important that we mount our activities here for next winter soon, because it takes some time to crank up some of the projects. However, in fairness, there were some perceptions of problems in cranking up COED and getting it going, but for many of the projects it did not take long.

COED was launched on December 2, 1982, just about a year ago today, and the first project started on January 24, 1983. It took about six weeks until the project started, and they began to come on stream right after that. We ended with 2,763 projects, 26,600 jobs and \$404 million in new investment in the course of that 12-month period.

There were some delays which were essentially due to federal civil servants wanting to ensure that Canada employment offices were screening workers. One could wonder why they needed to do that other than to remind people of federal participation.

For the record, December 2 was the launching of COED. The first 26 projects were approved on January 11, and people were at work two weeks later. So I believe that as we get our programs going this year, whenever we decide is the appropriate time after reflecting on the circumstances and the federal government's

participation, we will not have a long period of delay as we get those jobs in place.

5:50 p.m.

Both opposition critics have referred to the Board of Industrial Leadership and Development. I think, in fairness, we should look at all the projects mounted by BILD. I have been sitting in this House for some time and have heard many suggestions that we have to make long-term investments. Many of the investments BILD made were long-term; that was the whole point of the exercise. This government has many make-work projects: job creation projects, short-term employment projects and youth employment projects; the Ontario Development Corp. is always there to provide the investment it has always been very good at providing; however, the point of BILD was not only to supplement those activities but also to make long-term investments in the future. It has done that. For many years, for as long as I have been in this assembly, I have heard people talk about all the directional investments BILD has made.

Mr. Foulds: You can't have; BILD was only announced two years ago.

Mr. T. P. Reid: BILD only started as an economic play.

Hon. Mr. Grossman: My friends did not hear what I said. I said members have been talking about the need for those kinds of directional investments for many years. BILD came along, was funded properly and made those kinds of investments.

Mr. T. P. Reid: There is not one new program—

The Deputy Chairman: Order.

Hon. Mr. Grossman: The critic for the Liberal Party says there is not one new program listed under vote 904, item 3. Let us go through that. Let us talk about the Ontario centres for microelectronics, automotive parts, advanced manufacturing, farm machinery and food processing resource machinery—\$118.6 million. Those were not heard of until BILD came along.

Mr. T. P. Reid: Those were not part of the program.

Hon. Mr. Grossman: Of course they were part of the program.

Mr. T. P. Reid: The government did not need BILD to do that. The government needed BILD to win an election.

Hon. Mr. Grossman: The proposition put by the Liberal critic, who is in retreat now, is that we needed them to get re-elected. We believe

we needed them to rebuild our economy and to make long-term investments, and we did that.

The member's proposition was that there was nothing new. We know it was new. He should turn around and ask the member for Essex North (Mr. Ruston) who is sitting behind him. The member for Essex North and all his colleagues were begging for the brand-new automotive parts technology centre in Windsor. They knew it was important. They put a great effort into getting it. The fact is they knew how valuable it was. The member for Essex North knows that.

Mr. Ruston: No; no way.

Mr. Foulds: He never begged.

The Deputy Chairman: Order. You will have an opportunity. The minister has the floor, and then you can ask him questions. This is just getting a little bit out of hand here.

Mr. T. P. Reid: The fact is there wasn't anything going—

The Deputy Chairman: Order. The member for Rainy River will have ample opportunity, with three hours and 32 minutes left.

Hon. Mr. Grossman: I am anxious to provide all the information I can on BILD so members can understand all aspects of the program and have an informed discussion on it.

I just happen to have the information with regard to private sector investment. The member for Rainy River has suggested there was no private sector investment in BILD. With respect, if he looks at the information rather carefully, he will find that in BILD commitments to date 23 per cent of the funding has come from private sector sources. So once again his anticipation or desire—

Mr. T. P. Reid: Give me a list of the companies and the private sector people that put up the funding—

The Deputy Chairman: Order. The member for Rainy River will have an opportunity.

Mr. T. P. Reid: Page 55 does not mean a thing. Also, how much of a commitment did you get from the federal government on the drydock—

The Deputy Chairman: Order. The minister is responding to your initial statements. When he finishes his response, there can be questions. It is all over the place. I have to maintain some form of order here.

Hon. Mr. Grossman: When we get to the discussion on BILD I will be pleased to continue to provide all of this information, which I know is so disappointing to the members of the

opposition but which does indicate quite significant contributions from all sectors. There is no question that the province, through BILD, has continued to be the major investor in our economy. Thus BILD has put up 60 per cent of all the funds directly; the federal government, 9.1 per cent; municipalities, 2.3 per cent; provincial ministries, another 5.2 per cent; and the private sector, 23.2 per cent—a great deal of money.

Just before six o'clock I should like to deal with a couple of the remarks made by the member for Port Arthur.

I share his desire that Treasury and Economics perform largely as an economic ministry as well as an accounting ministry; and, of course, the fact is that this is exactly what we do. He has been reading my remarks of the past several weeks and listening to what I said here in question period and to my comments on interim supply. That is where he got the suggestion that budgets have to deal with economic matters as well as simply with accounting matters. That is where it was first said; a check of Hansard will verify that. So I appreciate his support for what he heard me say early in this session and I thank him for it.

He did talk about the regional priorities of this ministry and of this government, and I think it is important for him to acknowledge—as, in fairness, he did—that a look at the Treasury and Economics estimates will not reflect all of the regional priorities devoted and provided by this government, because the major amount is through the Ministry of Northern Affairs, which he has acknowledged has made very many successful investments in the north. I think it would be important to add to the record right now—

Mr. Foulds: I didn't acknowledge that; I didn't say that.

Hon. Mr. Grossman: Well, I am sure the member will. If I misheard him, I know he will—

The Deputy Chairman: Order, please.

Hon. Mr. Grossman: I should like to read into the record the performance under the general development agreements with the federal government over the term of those agreements. Let us just look at them with respect to northern Ontario. In addition to the Ministry of Northern Affairs and its tremendous successes and the Northern Ontario Development Corp. and its tremendous successes, under the GDAs north-western Ontario has received \$50,886,000; Dryden development infrastructure another \$2.8 million—

Mr. T. P. Reid: For the pulp and paper companies.

Hon. Mr. Grossman:—pulp and paper another \$180 million; northern Ontario rural development agreement, \$18.5 million; Sault Ste. Marie infrastructure, \$45.3 million; northeastern Ontario, \$30,602,000. Those are quite significant contributions to the economic development of northern Ontario, all in addition to the Ministry of Northern Affairs and its tremendous record.

Just as we reach six o'clock I should like to say this to the member for Port Arthur. He talked about having double-digit unemployment, and I know that if he checks the statistics he will see that in this province we do not have double-digit unemployment.

Mr. Foulds: It's 9.2 per cent. That's two digits.

Hon. Mr. Grossman: That's double-digit?

Mr. T. P. Reid: That's socialistic counting.

Hon. Mr. Grossman: Let the record show that we are at 9.2 per cent unemployment. It is still intolerably high, but it is not double-digit unemployment. We hope we have seen the last of it and we are going to continue to work to bring those numbers down.

The member talked of a five per cent unemployment rate being an appropriate target for us. Of course, we seek much lower unemployment; we seek no unemployment on this side of the House. I was disappointed to hear that he thought five per cent was a target. We will continue to work through our budget process, through the development corporations, most certainly through BILD and certainly through our tax policies to ensure that we seek a full employment circumstance in this province.

The House recessed at 6 p.m.

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Hansard

Official Report of Debates

Legislative Assembly of Ontario

Third Session, 32nd Parliament
Monday, November 28, 1983
Evening Sitting

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

Monday, November 28, 1983

The House resumed at 8 p.m.
House in committee of supply.

ESTIMATES, MINISTRY OF TREASURY AND ECONOMICS

(concluded)

The Deputy Chairman: We are continuing with the estimates of the Ministry of Treasury and Economics. The minister has finished his response to the members. Just before we proceed, are we going to discuss it generally before we begin to discuss the detailed votes? Is there agreement to discuss generally?

Mr. Nixon: Do you mean the whole thing?

The Deputy Chairman: Unless you want to go to specific votes and do them item by item. Do members want to deal with the votes item by item? I want to know the guidelines before the member for St. Catharines (Mr. Bradley) begins.

Mr. McClellan: Since we are limited in time, why do we not allow general discussion?

The Deputy Chairman: I am quite in favour of that but I want to know if that is what the House wishes. Is it agreed? Fine.

On vote 901, ministry administration program:

Mr. Bradley: Keeping that in mind, Mr. Chairman, thank you for the opportunity to share with the Treasurer (Mr. Grossman) a number of areas of concern with which his ministry may be able to assist those of us who represent individual constituencies.

I listened with a good deal of interest to the initial remarks of the two opposition parties and the response of the minister to them. Naturally, one of the areas the opposition was zeroing in on was where we feel the Treasurer can be of particular assistance in the area of initiatives to alleviate the unemployment situation in Ontario.

I know the minister has listed for the House a number of initiatives he feels have been useful in reducing the extent of the unemployment problem, but for those of us who represent constituencies such as the St. Catharines-Niagara area where the unemployment rate has been chronically high, it is difficult to come to the conclusion that the present economic policies of this government are sufficient to alleviate

that chronic and at the same time acute unemployment situation.

Over this past year, our unemployment rate in the St. Catharines-Niagara area has been as high as 22 per cent. As I look around the House to the members who are sitting here, in particular those who are not from the Niagara Peninsula, I think many would probably anticipate we still live in what is called the Golden Horseshoe of Canada, certainly the Golden Horseshoe of Ontario.

I think the minister would recognize from the continuing unemployment figures being supplied to him that the Niagara Peninsula is no longer the Golden Horseshoe or, if it is, the gold is somewhat tarnished by the experiences we have had in the last few years.

Therefore, it is my view that the Ministry of Treasury and Economics has the opportunity through the expenditure of dollars—I am not suggesting that throwing money around solves every problem but certainly in terms of stimulating the economy, an infusion of government funds is extremely helpful.

While many areas of Ontario would benefit from the same thing, I would suggest the minister should give additional attention to those areas experiencing both an acute and a chronic unemployment situation. We happen to face both of those circumstances in the Niagara Peninsula, contrary to the general perception that our part of Ontario is a very wealthy and contented part of the province.

Our leader in the House and others have indicated to the minister from time to time that we feel there is a particular problem with young people who have not been able to land any kind of permanent place in the work force and are not now equipped to enter the work force easily. The minister has suggested that for others the Ontario career action program is a reasonable program. I want to tell him that although from time to time we are critical of government programs and their lack of initiatives, I personally happen to feel OCAP is a good program. If it were appropriately funded it would be an even better program for this province.

I urge the minister to become involved in a program such as we in the Liberal Party brought

to the attention of the government, I believe on October 26 of this year. I think we demonstrated to the people of this province, and certainly to the members of this House, that we were not prepared simply to be critical. We were prepared to offer an alternative.

This plan alone is not perfect. I am sure if members of the House were to look at various details in it they might find some flaws or some ways in which it could be improved. But I am hopeful that when the minister emerges from the December 8 meeting with the federal government, which he has indicated is his target date for discussing this problem with the federal government, he will rise in the House to announce a program very similar to ours.

No doubt it will have a different name and it will be introduced with a good deal of fanfare, but I suppose that is part of the political gamesmanship that takes place. What is most important is that the minister at least announces this kind of program and that the young people, who are the hard-core unemployed, benefit from it.

The minister can take the credit for it and we will attempt to take credit for it as well. I think what is going to be important ultimately to the young people is that they are going to benefit from it. They are the people we are talking about. I know a lot of young people have problems, but I am speaking specifically about the hard-core unemployed who are not equipped educationally and not equipped by the counselling process to enter the work force and be constructive and useful members of the work force, which they would like to be. I would urge the minister to give consideration to our program and to expand upon some of the programs he has made available to the province at present.

I also listened to my friend the member for Port Arthur (Mr. Foulds) talk about one of our favourite topics in the House, particularly those of us who have served at the municipal level. The member for Welland-Thorold (Mr. Swart) and others who have served at the municipal level are aware of this. It is the winter works program.

The winter works program is not the answer to everything. However, in times of high unemployment, at times when the private sector is not providing the employment opportunities it does in the boom years, then municipalities and provincial governments have a chance to advance capital projects that are on the books. We are not asking the government to create them; we are not asking to paint the arena for the 15th

time. We are looking for good projects that are going to serve the community well, that are on the books, that are almost ready to go, and to advance those to this winter, which will be a difficult period.

For instance, in the Niagara Peninsula one project I can think of that would be of environmental benefit to the people of the peninsula and would advance our case in dealing with the Americans on the issue of pollution in the Niagara River would be an announcement by the Minister of the Environment (Mr. Brandt) when he comes to St. Catharines on January 6, or by the Treasurer before that, that the provincial government is prepared to provide its fair share of funding for the secondary sewage treatment plant in Niagara Falls.

All of us like to see secondary sewage treatment plants where they do not exist today, but I want to point out that this is of threefold importance. First, it does provide a higher quality of effluent to the Niagara River. Second, it provides employment opportunities and generates economic activity in the peninsula. Third, when we go to the Americans to discuss their lack of adequate handling of the waste and environment problems around the Niagara River, we have yet another ace to play in this discussion with them if we can show we are prepared to advance the necessary funds for the secondary sewage treatment plant in both Niagara Falls, where the member for Niagara Falls (Mr. Kerrio) has long advocated this, and along near Fort Erie, where the member for Erie (Mr. Haggerty) has advanced that cause.

I urge the minister to look at environmental projects which are of benefit to hard-core unemployment areas of the province and to advance those in his list of expenditures.

I also look at the roads report. It seems to me that during the Ontario Good Roads Association convention—or was it during the Association of Municipalities of Ontario convention?—they pointed out a problem once again that those of us who have served municipally are well aware of. This is the problem of deteriorating roads. We have had other commitments to meet that unfortunately have been of a higher priority.

Many municipalities have had to push road reconstruction into the background. Those who are engineers would know better than I that the deterioration of roads is important because one gets into a complete reconstruction or complete

renewal if they are not looked after on a year-to-year basis.

8:10 p.m.

Once again, we are talking about an area of generation of employment opportunities, often-times for those with not a lot of skills, and that can be helpful at the same time as reconstructing our roads within our municipalities and provincial roads. That stimulates the economy, that gets things going, and once the economy is booming again then it is the role of the private sector to provide those job opportunities. But in between that time, during the lull, during the downturn, governments can play a significant role in producing that kind of economic activity.

Also, the Treasurer will recall that I raised on many occasions with the previous Treasurer the possibility of having the province provide an even greater share of the cost of welfare payments. The reason for that is obvious; those communities which are hardest hit in the economic downturn are those that are then asked to provide even more funds from that shrinking tax base to help those who are no longer collecting unemployment insurance and who are on welfare. This is not to suggest that this is the be-all and end-all, that we want to pay more and more money to people on welfare; we prefer to see them in jobs.

But while there is a difficulty and municipalities have to meet those welfare payments on an increasing basis, I would hope the province would continue to enhance its policy of providing additional funds to hard-hit communities.

I would also hope that the minister would give consideration to looking at education as an area where he can be of some assistance. Members of the House will recall that back in 1975 Ontario provided approximately 61 per cent of the cost of education on a province-wide basis; provided for that cost under the funds coming into the provincial Treasury. Today, that has diminished to some 48.5 per cent of the cost of education now assumed by the province.

I know there is not an unlimited amount of funds. I do not want to stand here and pretend that money grows on trees and that forever and ever one can spend as much as one wants on everything. I am suggesting, however, that the province has diminished its responsibility at least—forgetting about the Edmonton commitment, which many of us recall from 1973—the province has diminished its commitment to the funding of education and that has fallen back on the municipalities and the municipal tax base.

Once again, to go back to our days—those of

us who sit here from municipal days—we know that the municipal tax is the most regressive form of taxation because it does not take into account a person's ability to pay. Probably the worst off areas economically are Port Colborne and Fort Erie, they would be harder hit than St. Catharines, although we are hit badly.

We will take a person in Port Colborne, for instance, who has been unemployed for six or seven months. That person, when the tax bill comes to a municipality, has to pay that tax; it does not diminish because he or she has been unemployed; the tax is the same. If it is \$1,000, they have to pay \$1,000. If it is \$1,200 they pay \$1,200. Whereas, with the income tax, it does take into account ability to pay, because if one's paycheque is diminished the amount of money one is contributing to government coffers at the federal and provincial level is diminished.

That is why I think it is important that the province upgrade the amount of money it provides in the field of education. I hope the provincial Treasurer is on my side in this battle because I think it is an important point, and I hope the Conservative members of the House are cognizant of this point because it is an attractive proposal.

The Minister of Education (Miss Stephenson) has suggested that we have the Martin proposal implemented. That is a proposal which would take some of the money generated from the industrial and commercial tax base in Ontario, property tax base, throw it into one big special pot—I do not know how one can throw it into anything other than the consolidated revenue fund; I think that is the only place one can put it into—and then redistribute that to the so-called poorer boards across Ontario.

That is really not the solution. Once again, I will go back to those who have served municipally and to those who have a certain sympathy with municipalities. The member for Carleton (Mr. Mitchell) served municipally and he will know what I am talking about; as did the member for Scarborough-Ellesmere (Mr. Robinson), he will understand this. Even the member for Humber (Mr. Kells), certain sympathy with municipalities. The member for Carleton (Mr. Mitchell) served municipally and he will know what I am talking about; as did the member for Scarborough-Ellesmere (Mr. Robinson), he will understand this. Even the member for Humber (Mr. Kells), who is certainly another municipal politician, and the member for Wentworth (Mr. Dean) will understand this,

being a great municipal politician over the years with the Association of Municipalities of Ontario.

The Deputy Chairman will know this as a person who has served at the local level. All these people will know we cannot allow the provincial government to get its hands on the one solitary source of significant funding for municipalities in terms of generating their own funds, that is the municipal property tax. That should be left to the municipalities. It should not be tampered with by the provincial government or, heaven forbid, the federal government, which constitutionally cannot get its hands on that money. It should be left to the municipalities.

I hope the members opposite will oppose it on that basis. I do not want to go into it in great detail because we are in Treasury estimates and it is more appropriate to Education estimates where I went into it in some detail, but I hope they will view it as not being a satisfactory answer to the funding of education; instead those funds should come from the more progressive tax bases that are available to the provincial government.

I do not think for a moment that the people on the opposite side, although in the House they are required to vote one way—that is our British parliamentary system—are satisfied with the kind of funding that is available to municipalities and to boards of education. I recognize it is going to be within caucus circles as opposed to in the House, but I hope the members join with us in urging the Treasurer, who is a very powerful individual in this province, to be fair to the municipalities and local boards of education.

Another area where the Treasurer can be helpful with his funds, and this is not as significant an expenditure as it might appear to be, is in bringing forward the legislation known as the Teachers' Superannuation Act. Mr. Chairman, if you will allow me to diverge just a bit to give a little background on this, one of the problems in education, if one looks around the classrooms, and more important looks around the staff rooms, is the ageing of the teaching profession, the lack of opportunities for young people to come into the system. At present, I would be considered to be one of the younger people in the teaching profession. That is awful to say because I am getting old these days. When you get into your mid-30s—

The Deputy Chairman: Do not go into too much background. There is so much to be said tonight.

Mr. Bradley: When you get into your mid-30s, that is considered to be old at this time.

The way to accomplish this is to free up new areas for people. There are many people who are in senior jobs in education who are prepared to move out of those jobs. The way to help local boards of education to meet their declining enrolment problem and to bring new people into the system is to make provision through the Teachers' Superannuation Act for people to retire earlier than they might otherwise be prepared to do. That problem would be solved quite nicely if the minister would proceed with that legislation this session. He would find he was being very helpful to local boards of education.

I also suggest the size of the cabinet might be reduced. That is not the Treasurer's fault, but he certainly has influence on the government. Every time there is a federal shuffle the editor of the St. Catharines Standard talks about how large and bloated the federal cabinet is. When there is a provincial shuffle, there is no mention of the fact that the provincial cabinet is bloated, the largest provincial cabinet in all of Canada, and unnecessarily so.

Mr. Foulds: Mr. Chairman, on a point of order: The member for Lambton (Mr. Henderson) was dropped from the cabinet. Why is the member talking about bloated?

Mr. Bradley: I am not picking on any particular member because I do not like to do that. I am just suggesting that, for instance, the policy secretariats are certainly not essential. We could save a lot of money, not only on limousines that can be of some cost to the province, but on the entire operation of ministries with a consolidation. It is always easier to say that when one is in opposition and not trying to fill those seats with people, but I hope the Treasurer will look at that as a potential way of reducing expenditures.

I would also say to the Treasurer that if he provides funds to hospitals and to health care in this province, he is going to find support over here. He was Minister of Health so he knows this very well. No doubt the people over there also take polls, and he would know this from them.

8:20 p.m.

I have found in talking to my constituents that time after time there are two areas where they will allow the government to spend money. I will not say they will allow it on an unlimited basis, but they are prepared to accept and support expenditures. One is for health care to provide, as the minister likes to suggest it is, the best health care system in the world. If he did that

with the funds he has the people of this province would support him very strongly; certainly we in the opposition would. The other is for cleaning up the environment. I think he will find a general consensus that the public is prepared to support him very strongly if he makes expenditures in those areas.

I am not suggesting that he be inefficient. I think the Treasurer has a tough job. He has to loosen the purse-strings some times and pull them in at other times. He loosens them at election time. But he must want to see that his government is efficient. On the other hand, I do not think efficiency at the expense of good health or the environment is necessarily a wise endeavour on the part of the Treasurer.

I would like to suggest another area that is of great importance—and perhaps this has been accentuated more by the fact that we are in difficult economic times—and that is housing. My leader has addressed questions to the Minister of Municipal Affairs and Housing (Mr. Bennett) concerning the amount of funds put into the housing sector. We recognize it as being important.

We know that in the Niagara Peninsula, for instance, we are well down in the construction sector. I know that provides a lot of job opportunities and generates a lot of economic activity in any area of the province. At the same time, there is a genuine need.

We have an organization or agency called the St. Catharines Nonprofit Housing Registry, a nonpartisan group, an objective group but not a confrontationist group, whose job it is to match hard-to-place clients with landlords in housing. This group also did some excellent studies of the real needs for housing within the community.

I am sure that many who sit comfortably in their own homes must be a little uneasy to know that for low-income people, for those with special needs, such as handicapped people or ex-psychiatric patients and others—maybe there are a large number of children in the family or they are hard to place—we simply do not have adequate housing in so many of our communities.

An infusion of funds into that area on the part of the provincial government would meet this social need and, at the same time—and surely this is important to this government—would generate the kind of economic activity that would, in turn, generate revenues for the provincial Treasury.

We suggest that the government would be able to save a considerable amount of money. I just cannot figure out why the government

across the floor from us ever embarked on this large expenditure of \$650 million for one quarter of Suncor. I do not think this Treasurer probably supported it. I do not know; I am not privy to cabinet decisions and I hate to dwell on it at great length.

The Minister of Revenue (Mr. Gregory) would be interested in knowing where I get the complaints on this. It is not so much from those who would normally support the New Democratic Party or even from the Liberals who have complained bitterly to me about this. It is from my good friends in the Progressive Conservative Party in my community who have come to me to ask, "Can't you do something about our friends over there to restrain them when they want to embark on these ill-advised courses of action, when they want to blow \$45 million on Minaki Lodge, when they want to spend \$40 million on advertising?"

I hope the Treasurer does not get up in the House, as he wisely did the other day—wisely from a political point of view—and talk about the fact that I want to cut out all the tourist advertising. I am not suggesting that. The minister, being the coy person he is in the House—"cunning" is a better word—knew enough to get up and throw that back in my face, but he knows I am not suggesting that.

What I am suggesting is that those recent ads in which the Ministry of Energy is simply trying to justify an expenditure on Suncor, those self-congratulatory ads, are not necessary. It would be better if the ministry were to purchase a third mechanical hand for each of the members of the cabinet to pat himself on the back with than to spend those great sums of money it has on advertising.

I hope the Treasurer tries to bring some sanity to the deliberations of cabinet when it comes to making expenditures on items such as Suncor or trying to get into land-banking schemes, lavish receptions for bankers and things of that nature.

I would also think the Treasurer would be concerned about the recent revelations concerning contracts in the Ministries of Government Services and Tourism and Recreation. Since the Treasurer preaches restraint, I would say if he were consistent he would find more acceptance for his words than when his government is inconsistent. But when he is preaching restraint I think it is incumbent upon him to impress upon the Chairman of Management Board of Cabinet (Mr. McCague), upon the Premier (Mr. Davis) and upon all members of

the cabinet that they should be extremely careful in the expenditure of their funds.

They should ensure that funds are expended in the appropriate fashion, meeting the requirements of the Ontario Manual of Administration, the approval of the standing committee on public accounts and ultimately that of the provincial auditor—I realize that comes after the fact—and certainly engaging in the public tender process because, from the point of view of saving money, the public tender process is ordinarily the best way to proceed.

Secondly, it is the one safeguard we have in Ontario. I can go to the people in this province and say: "That government is giving out contracts to its friends." But if the government goes through a proper tendering process, the minister then sees his fellow ministers make prudent expenditures, while, at the same time, removing the opportunity for rewarding political friends or getting involved in corrupt practices. Then the appearance of corruption is not even there.

Hon. Mr. Grossman: Corrupt practices?

Mr. Bradley: Yes. I said it avoids the appearance of corrupt practices if the ministry goes to public tender. If it does not go to public tender, then the suspicions arise that somehow there is corruption, patronage or privilege. I am suggesting to the minister that if the government adheres to the public tender process and does not have deputy ministers and assistant deputy ministers who eventually run federal Tory leadership campaigns, if it has these people avoid these circumstances then the people can see that the government is clean and serious about saving money for the taxpayers.

I also want to indicate to the minister that in every area of endeavour, when he preaches restraint in Ontario there is a fairly sympathetic ear out there in the general public. He would know of this better than I because of the government's polling, but I think there is a pretty sympathetic ear for efficient government.

But when the government leaves itself open—I am not saying this of the minister himself but perhaps of his colleagues—to the shots we can take at it for the kind of expenditures it makes, then it diminishes the credibility of its program to try to restrain government expenditures and keep things the way people want to see them. People are looking for a lean government, not for big government. They want the services, but they want them provided with the best bang for the buck. If the Treasurer can do that, I think he is on his way to ascension to the leadership of the Progressive Conservative Party.

If he can—and I am not saying that is his goal—perform that way as Treasurer, I do not know how the Progressive Conservative delegates can deny him the opportunity of ascension to the throne if that were the case.

I have advanced a number of areas where I hope the minister will address the problems. I do not for a moment stand here in seriousness and think the minister is unconcerned. I do not want to portray him that way. I suppose as an opposition member it is my duty to say: "He is unconcerned and he is not willing to look at the problems that exist in this province. He is not willing to make expenditures in certain areas. He does not care about the flagrant examples of the misspending of public funds."

I do not believe that. I happen to think the Treasurer has a social conscience and a concern for efficiency in government. I think he would want to address those problems in his next budget and through the economic policies he can implement before the difficulties of winter set in.

8:30 p.m.

I ask him to accept some of the initiatives that have been suggested here from among his own colleagues who will be coming to him to advance other suggestions. If he were to do so, we are not going to pat him on the back publicly. He does not even expect it and he does not really care about it, but I think he will have served the people of this province well if he addresses a few of the areas I have talked about and some of my colleagues on this side of the House have talked about.

As I say, who knows? Whenever the master politician steps down, the minister may find himself as the leader of the next-to-be opposition.

Mr. McClellan: Mr. Chairman, I wanted to speak for a moment or two on two subjects, one of which the Treasurer has alluded to in his leadoff. I am not sure what he said, though. Perhaps I can simply ask a brief question, which the Treasurer is permitted to answer as we are in committee and we are not in a really formal situation. It has to do with the recommendations of the select committee on pensions.

That committee's first report is now more than two years old. One of my colleagues on the committee was the member for London Centre (Mr. Peterson) before he became the Leader of the Opposition. The recommendations were passed with a remarkable degree of consensus, not to say unanimity. While we were holding hearings on the question of vesting and portabil-

ity, there was virtually nobody who came before that committee from the finance community who expressed the slightest objection to the kinds of reforms which were being discussed.

Yet the previous Treasurer sat on the recommendations of that report. Indeed, it is fair to say he suppressed the recommendations of that report, despite the willingness of other members of the government to bring forward the necessary legislation. Because it was in the Treasurer's house, the recommendations simply gathered dust on the shelves for over two years.

Before I make my second point, I would simply like to ask, does the Treasurer intend to bring forward a package of legislation which would modernize vesting provisions in our private sector pensions in the next session of the Legislature or not?

Hon. Mr. Grossman: To put it in some context, I should say that in addition to the other projects we have had on stream during this period of time, we have been working quite extensively this fall, first, to brief the new Treasurer on the entire pension issue, which—

Mr. McClellan: Let the Treasurer read the report.

Hon. Mr. Grossman: I did, but there is a lot more behind it as well. We have been spending a lot of time on that. Now that is complete, we have undertaken to spend a fair amount of time with many people who have special interests in the pension area. I have had several of those meetings. Tomorrow I will be speaking to the Canadian Life and Health Insurance Association on the subject of pensions and will set out some of the plans we have and some of the issues upon which we deem there to be a consensus.

Subsequently, the federal parliamentary committee will be bringing in its report. We expect that will be in December; in fact, I am sure of that. I will be calling the provincial ministers responsible for pensions together before the spring of next year here in Toronto, as I am chairing the group of provincial ministers responsible for pensions. Before that time we will be setting out the government's position on all of those items.

Mr. McClellan: When is that again?

Hon. Mr. Grossman: It will likely be just before or just about the time the spring session convenes.

Mr. McClellan: That is encouraging. When I said there was unanimity and consensus, I meant it. There was no objection with respect to the major reforms we proposed having to do

with private sector pensions anywhere, in the Liberal Party, in our party, in the Progressive Conservative Party or in the various deputations from the insurance industry and other sectors of the financial community that appeared before the committee.

As a socialist, I can tell you, though I probably should not tell you, that you make it inevitable that there will be major changes to public sector pensions with this dogged and stubborn refusal to bring private sector pensions into the 20th century. We have a situation where the majority of people in the work force retire without private sector pension coverage simply because of the inadequacy of existing pension laws. If you continue to refuse to acknowledge that fundamental empirical fact, you simply hasten the process of the kind of pension reform you profess to find loathsome and repellent.

May I touch on one other subject for the Treasurer? Very briefly, this has to do with what is left of Ontario's housing policy. It may seem strange to speak to the Treasurer about housing policy, but he does control the purse-strings. I am sure he must be aware at this point that the federal government is about to bail out of the housing programs which have been in place since 1978 and it will leave Ontario very shortly without any social housing supply programs at all.

Ontario went out of the housing business in 1978 and piggybacked on to the programs run by the federal government through Canada Mortgage and Housing Corp. under section 561 of the National Housing Act. Ontario Housing Corp. was turned into a holding company to run the existing portfolio of public housing and all housing that has been built since 1978 has been social housing.

Ontario has had a free ride and has managed to make considerable political hay at the expense of our hapless federal Liberal government, but even the Liberal Party has awakened to the fact that it has been wasting its political capital in allowing the province to exploit the federal programs. They have signalled about as loudly and clearly as is possible for a government to do that they intend to terminate these programs.

The Minister of Municipal Affairs and Housing has his head firmly implanted in the sand and professes absolute ignorance about the state of policy discussions at the federal level. Within a month or two or three, by the spring of 1984, Ontario is going to find itself with an enormous housing crisis on its hands, combined with huge

unemployment in the building trades and a complete absence of housing supply programs.

The federal government is about to pull the rug out from under your feet. You will be left with no policy and no programs and without the slightest capacity to develop programs or initiatives that would provide low-cost, affordable housing for families, seniors and single people.

I am quite curious to know whether the Treasurer has been involved in any policy discussions within the cabinet with his colleague the Minister of Municipal Affairs and Housing or whether he has been involved with discussions at the federal-provincial level with his colleagues the other provincial treasurers and officials from the federal government with respect to the future of federal-provincial housing programs.

I would be quite curious to know if any discussions have taken place. I put that question to the Treasurer. It is clear that his colleague the Minister of Municipal Affairs and Housing does not have the slightest clue as to what is about to transpire. May I ask the Treasurer whether he has any inkling about the future of what has been described as a federal-provincial housing partnership.

Hon. Mr. Grossman: Let me try to deal with each of those questions on the housing initiatives, which we have debated in the House before. It is our view that over the past couple of years we have provided a lot of money to the housing sector. It may not have ended up in the particular subsidies the member would advocate, but any analysis of housing and accommodation starts this year and last year would indicate it is one of our strongest performers. That is due in no small way to the activities of our government.

8:40 p.m.

I refer the member to the publications of some people who are perhaps the closest to the construction scene. I quote directly from the report of the president of the Housing and Urban Development Association of Canada in its bulletin of July. He says:

"I and the majority of HUDAC Ontario members cannot argue in favour of new, across-the-board subsidies at this time. Sales figures have dropped, but we expected that. Lower interest rates and the signs of economic recovery are still with us. Consumer confidence is still fairly strong. We have a program of stimulus (albeit complicated and difficult to explain to the average purchaser) in the revised treatment

of RHOSP plans introduced in the federal budget."

So, generally speaking, the trend is that things are going well, government programs have been most helpful to date on both levels and the accommodation sector did not perform badly last year. In fact, it performed relatively well.

With regard to the future of federal programs, I must say that while my colleague and I have discussed this at length, we are both dealing in a circumstance where it is very difficult to predict what the federal government is going to do, particularly in those programs where we have a history of partnership.

As we have found out in many other areas—general development agreements being one that I discussed earlier today—the federal government is simply indicating it wants to go to direct delivery and does not want to co-sponsor programs with provincial governments. I think that is a mistake. In some areas, they are going to find they cannot do that in a practical sense. I cannot predict today what they are likely to do in the housing area. To date, they have been most secretive about their plans.

Mr. McClellan: Only with you, apparently. I really hate to say this, but everybody else seems to know about this.

Hon. Mr. Grossman: There are lots of rumours and stories around. In the general development agreement area alone, I could recite six different versions of what is about to happen. Every one of those versions, quite seriously, is sourced back to the federal government. I do not know whether they have changed the policies that often or not.

Mr. Wildman: Sourced back?

Hon. Mr. Grossman: Sourced back.

Mr. Wildman: What kind of phrasing is that?

Hon. Mr. Grossman: The member will learn. We will send him some Hansards and he will understand.

In any event, that is the circumstance, that is the state of the art, so to speak, right now in that area. I cannot give a definitive answer. Perhaps, and I say this quite seriously, the member's colleagues on the opposition benches in Ottawa might put those questions to the federal ministers and see what kind of response they get. I can only report on the responses we are getting here.

As my colleague and I deal with the implications of what may or may not happen in Ottawa, we are looking at the statistics for last year. We are looking at the same figures the member is

talking about. There is some concern here about the future in the event that kind of federal withdrawal occurs. All of that will be looked at as we sort out our 1984-85 allocations in the next few months.

Mr. McClellan: I appreciate the minister's response, and I will not belabour the point, but I venture a modest prediction that, by the time spring rolls around, the programs we have known as the municipal nonprofit housing programs will be as dead as a dodo. One of the reasons for that is Ontario's refusal to pay its fair share.

There is no possible way the Treasurer can dispute the contention that Ontario has not paid its fair share of the freight on the provision of social housing programs since 1978. The best calculation I can come up with is four cents on the dollar. I believe I am actually in error by at least 100 per cent. To be as generous as possible, I calculate that the government's contribution has been in the vicinity of four cents on the dollar since 1978. This is for the provision of affordable housing for low-income households, the programs that replace housing provided by the Ontario Housing Corp.

When the federal government bails out of these programs, it will leave the government with 40 municipal nonprofit housing corporations that the ministry has sponsored, developed and put in place across the province, each with its own capacity to develop social housing under subsection 56(1). Quite frankly, the government is being left to hang in the breeze because of the gamesmanship it has played with social housing since 1978, since the late John Rhodes advised the government to go out of the housing business and it then proceeded to go out of the housing business. It made a serious mistake.

The crowings of HUDAC do nothing about the crisis in affordable housing that confronts the people of this province, as the minister knows full well. I do not delude myself for a second that our Treasurer does not understand as well as I do the nature of the housing crisis that confronts low- and average-income households in places like Metropolitan Toronto, Ottawa, Sudbury and Windsor, where the market has been unable to produce anything other than quite expensive housing.

According to one of the real estate groups that came before the standing committee on administration of justice to talk about Bill Pr3, the demolition bill, the cheapest that people can put a modest one-bedroom apartment on stream in the city of Toronto now is for a rent in excess

of \$800 a month. That is the cheapest they said they could put on the market. They were saying they would love to have a new program of shelter allowances. I am sure they would. I suspect our evil friends in Ottawa are looking at that kind of nonsense very carefully.

If the government has any residual concern about the provision of social housing in this province, and it does have a record in which it can take some pride, if it has any concern about whether Ontario continues to assume a responsibility for the provision of decent, affordable housing for low-income families and senior citizens, then government members are going to have to put their heads together real soon. I have no doubt at all the government is going to have the rug pulled out from under it and it is going to make the present crisis in the provision of affordable housing seem like the good old days.

Hon. Mr. Grossman: I want to share some of the concerns of the member for Bellwoods in that there will be some fallout in the event the federal government withdraws from yet another program. I can only say we are not about to see people in real need go wanting in that circumspect stance.

On the other hand, I know the member for Bellwoods understands our problem in that whenever the federal government senses we are going to come into the breach, that only encourages it yet again to parachute out of the program, leave us to do exactly that and shift the tax load and the burden of doing that on to provincial taxpayers. We do not want to encourage that to happen. Thus, we have to presume they are going to stay in the program, and we should not react in such a way that we encourage them to parachute out of the program by saying, "If they—

Mr. McClellan: It depends how much room there is in Claude's sandbox. I think he is taking up all the head space in the sand.

The Acting Chairman (Mr. Robinson): Please let the minister respond.

Hon. Mr. Grossman: We will see how it sorts out. To be fair, and the member for Bellwoods has been fair at least in most of his remarks—

Mr. McClellan: You always qualify that.

Hon. Mr. Grossman: So does he.

He has acknowledged the very good record of this government in the field of public housing. We have a record of commitment in that area. If times change as a result of the federal withdrawal, then we will have to look at the area in

which we do have a proven track record for further assistance. But again, I do not want to encourage the federal government to believe it can exit gracefully and leave the entire job to us. That would be unfair to us. We have to work, not on rumours but on facts. My colleague is trying to ascertain the state of the art right now.

8:50 p.m.

Mr. Boudria: Mr. Chairman, I have a few points I would like to raise with the minister, concerning mostly eastern Ontario issues.

It strikes us as somewhat unusual that this government has money to do various things. We heard only lately that the government had lots of money to hire \$900-a-day consultants; at the expense of one of his colleagues from eastern Ontario, I should add. There seems to be no shortage of funds when it comes to advertising, when it comes to preparing reports with glossy pictures of the minister or some of his colleagues. There seems to be plenty of funds for those things. There seem to be funds for a variety of things, such as producing a \$600,000 telephone book, yet very often there seem to be no funds when it comes to providing for eastern Ontario.

In the past, many people have written about the wrong of not giving a fair share to the eastern part of our province. While we cannot directly blame the Treasurer for that because he has not been the minister for very long, I do think he is in an excellent position now to right the historic wrong with which we are all familiar.

I am sure the member for Carleton-Grenville (Mr. Sterling), who is sitting here in this room, will agree with me today that there would be no better opportunity for the Treasurer to correct this wrong of not providing a fair share for eastern Ontario. I need only remind him of a few examples of how eastern Ontario never did get a fair shake from this government.

The classic example, I suppose, of eastern Ontario not getting its fair share happened last summer when we heard that the Treasurer's colleague the Minister of Transportation and Communications (Mr. Snow) decided that to repair the main highway through the city of Ottawa—I am referring to the Queensway—would take eight years. It is rather difficult to imagine that repairing four or five miles of road through the centre of the city of Ottawa would take this long and why it would be necessary for the government to drag its feet that long on a project for the people of eastern Ontario.

The first reaction one has is, how long would it take to rebuild the same amount of roadway if

it were in Toronto or some other city far removed from eastern Ontario and far closer to this place here?

In a letter I wrote to the Minister of Transportation and Communications I outlined to him how I felt about that work taking eight years. It was subsequently changed to seven years and was appropriately referred to by the press of Ottawa as the seven years of back luck for the residents of the nation's capital. My leader also referred to that project in the national capital as being a national disgrace.

In any case, the seven years that it was going to take for the project was rationalized in a response that the Minister of Transportation and Communications gave to me. The basic thrust of his reply was, "There are other projects around the province and we just cannot put any more money in eastern Ontario." That is kind of weak, but that was the major theme of his reply.

I am sure the Treasurer would want to be apprised of these things in order that in his future endeavours for a higher position within the party he will strive to improve those conditions that have traditionally been wrong in our part of the province. We know he is just waiting to hear about all these things so he can go right out there and correct them as soon as possible.

In an effort to assist the Treasurer to do this, I would like to provide for him a few suggestions of where to invest money in eastern Ontario. Needless to say, I do not want him to buy any more land banks the way some of his predecessors did, such as the Carlsbad Springs land bank, which is right near my constituency; part of it is in my riding, as a matter of fact. I believe the government spent \$13.8 million in that particular venture in eastern Ontario. It still has not figured out what to do with it. It spent \$9.6 million on the Edwardsburgh land banking scheme, which is also in eastern Ontario; it is a little farther away from my riding but nevertheless is in eastern Ontario. I understand the government is planting some poplar trees—mighty expensive poplar trees, I should add.

In any case, those are some of the investments the Treasurer's predecessors have made in the past in eastern Ontario. I see the minister's colleague the member for Carleton-Grenville, the minister for freedom of information, is standing beside him at this moment, advising him on how to respond to these matters. I think the only way to respond to the problems we have in eastern Ontario is to have a commitment here and now on the minister's part that he will

endeavour to go to eastern Ontario and correct the years and years of neglect by his predecessors.

I would like to discuss briefly the underfunding of agriculture in eastern Ontario. It is unfortunate the member for Lambton has left the chamber; he was here a minute ago. Last Friday in this Legislature I raised the point that under the tile drainage program of this province the five counties of Stormont, Dundas, Glengarry—I am sure those three counties ring a bell at the moment—Prescott and Russell, together get less funding than the county of Lambton by itself.

An hon. member: That is because of the applications.

The Acting Chairman: Order.

Mr. Boudria: That is a very interesting comment by the member for Carleton-Grenville, who is not in his seat at present.

Mr. Wildman: He is not in his place, Mr. Chairman. He cannot interject.

The Acting Chairman: I just called him to order.

Mr. Boudria: He does bring up an interesting point, however. Historically, in southwestern Ontario, when they started some of those tile drainage programs, loans were available at a much lower rate of interest than they are now. Even though the commercial interest rate was approximately the same as it is today at that time one could get funds for four and six per cent.

Now that all of southwestern Ontario has been tile drained, or about 90 per cent of it—I do not know where they are tile draining now in Lambton; they must have three or four rows, one over the top of another, because they are still putting money in there—now that they have put all kinds of money in southwestern Ontario and are now draining eastern Ontario, the interest is higher for the applicants there.

The Minister of Agriculture and Food (Mr. Timbrell) was in the riding of Stormont, Dundas and Glengarry not long ago; I guess it was last week. Some chicken farmers greeted him there. I am sure he will recall his meeting with them. They had all kinds of nice things to say about the minister, most of which I would not repeat in this Legislature. In any case, when he went to eastern Ontario, he announced there would be new funds. Of course, there are no new funds provided for the tile drainage program in eastern Ontario, as the minister knows.

As a matter of fact, the tile drainage program of this government, which was originally slated

to extend some \$30 million in the current year, now has gone down by \$4 million for the simple reason that the program is so unattractive when it lends only 60 per cent of the total capital cost, as opposed to the 75 per cent that it did in the past. When the interest rates are at least two per cent higher than they should be for such a program, it is not surprising that the minister is not spending all the amounts he has in there.

However, when it was time to drain the other areas of this province, for 75 per cent of the cost, the money was available at lower interest rates, two and even four per cent lower than at present. The member for Oxford (Mr. Treleaven), who represents another part of this province, will remember what a good deal his constituents had under the tile drainage program at that time.

Why can the minister not give as good a deal for the people of eastern Ontario? If he is going to make an election promise—a deathbed repentance, as my colleague the member for Renfrew North (Mr. Conway) has called it—in the riding of Stormont, Dundas and Glengarry, then at least he should make it a good one rather than a half-hearted effort such as he has made. If he is going to make an election promise let him bring a bucketful of goodies, not this business of just a handful of things for them. He should do it right.

9 p.m.

Let me tell him just how serious the situation is in eastern Ontario. If we do not improve some of the farm land shortly we are going to be in big trouble. I will review very briefly some of the statistics of how our farm land is disappearing in this province and, more important, how it is disappearing at a much faster rate in eastern Ontario than in the rest of the province.

One can only keep and increase the production of our farm land by properly draining it; that is the modern method of farming. Otherwise, the people of our part of the province will not be able to be in a competitive position with the people of other parts of Ontario. Historically, they have had that problem, courtesy of the government principally, and now they have the same problem again.

From 1971 to 1981 Ontario lost about 6.5 per cent of its farm land, and that in itself is rather serious. However, if one looks at these figures a little longer, it is easy to determine where in the province the farm land is disappearing. The southwestern region, for instance, has had a decrease of two per cent in its acreage of farm land. Again, that is of some concern but it is not

very large in relation to other parts of the province.

In eastern Ontario the acreage of farm land in the last decade has decreased by 13.3 per cent; it is very important to underline that and to say the people of eastern Ontario need more from this province.

Let me go into some of the counties and see just how bad it is. The county of Russell in my constituency has lost 13.9 per cent of its farm land over that decade; the county of Prescott, 11.5 per cent. Let us look at another county I am sure the minister would be interested in. The county of Stormont—and naturally that name rings a bell at the present time—has lost 12.1 per cent of its farm acreage over the last decade.

I am telling the minister we need greater attention paid to agriculture on the part of his government. It has been said in the past that his government spends less on agriculture than any other province in this country as a percentage of its gross provincial product.

Whether he is number 10 or number nine is not really relevant if he is going to rise in his place once I terminate my remarks and say he is not really number 10, maybe Newfoundland is worse or Prince Edward Island or something. The fact remains that he is not giving a fair share to the people of our region. The people of eastern Ontario in many instances market their product in Quebec.

I may remind the minister of an incident where some chicken produced in eastern Ontario was marketed in Quebec. I am sure he will recall that; and if he does not his colleague the Minister of Agriculture and Food can easily remind him of the history behind chicken production in eastern Ontario.

In any case, much of the marketing for our agricultural products occurs in the Quebec region or occurs in competition with the Quebec producers. Let us say that if one is a farmer in my constituency in the eastern end of the riding, and one is right near the Quebec border, the producer on the other side gets more funding, he gets more grants from his government because the government of Quebec pays much stronger attention to agriculture than this minister does. He is not even listening to members of the opposition telling him about the agricultural problems of eastern Ontario.

When Quebec has lower hydro rates for its farmers than we have in this province, when there are all kinds of subsidies offered to them and none to the people of my constituency and neighbouring eastern Ontario region, it is very

difficult for us to compete with those same people.

One only needs to be reminded of the beef situation in eastern Ontario. Quebec farmers are coming into our region, buying the beef and taking it back over there and making money. Producers in our area just cannot survive in the beef industry. Our pork producers are getting about \$58 a hundredweight at the present time for their product. The Ministry of Agriculture and Food says it costs about \$85 a hundredweight to produce it. Those are not my statistics, they come from the government.

How can the agricultural community of eastern Ontario survive with that kind of neglect from the government of Ontario? It just cannot do it. The member for St. Catharines is quite correct as usual in saying that it is very difficult for the people of eastern Ontario to manage when they are not getting their fair share from this government.

If the minister has extra funds to expend in eastern Ontario, I am sure we could all provide good, constructive ideas about where to invest those funds. I will touch on only a few areas.

First, no discussion of eastern Ontario would be complete if I did not talk briefly about the very grave situation right now in Hawkesbury. I have raised this matter in the Legislature before. The Minister of Municipal Affairs and Housing was supposed to give us an answer immediately but, as with many things with that particular minister, it does take a little longer than with other people.

In any case, the town of Hawkesbury this year lost \$800,000 worth of revenue with the closure of the Canadian International Paper plant last December. As the minister will recall, the town of Hawkesbury was expecting to lose some money, because when a plant closes one anticipates the assessment against that structure will decrease, but nobody thought the decrease would be of this extent.

As a matter of fact, the Ministry of Municipal Affairs and Housing had given to our area a grant of \$251,000 over two years, roughly \$125,000 a year. This is the amount it was anticipated would be lost because of the closure of the plant. CIP or its owners decided to appeal the assessment to get it further reduced and, unfortunately for our community, won the appeal. The net result was a decrease of some \$800,000 in revenue for the combined local governments. I am speaking of the various school boards, the county council, the town of Hawkesbury and so forth. The town of

Hawkesbury itself lost an amount of \$309,000 for this year. That is twice the anticipated loss predicted by the Ministry of Municipal Affairs and Housing.

At the same time as we have this phenomenon occurring—the minister will know because he was in eastern Ontario two weeks ago—we have increasing case loads of general welfare assistance and increasing case loads of other services that need to be provided to our people. These expenses are caused by our difficult economic situation.

What we need are more funds immediately for the town of Hawkesbury, the county of Prescott-Russell and our two school boards to get over the difficulty we have right now.

We must also get assistance in the area of our water and sewage rates because the CIP mill was the largest user of those services in the town. Since it is no longer operating, it is no longer paying that share. The effect of not having the CIP mill as a consumer of water and sewer services will result in an increase of those rates of some 35 per cent to the rest of the community, again a burden that is very difficult.

Another side effect is that if the town increases the tax burden there is not an incentive for new industry to move in. That is why we want the government to move immediately to stabilize those rates at the present levels. Then we can make the economic climate of Hawkesbury and Prescott-Russell in general better in order to attract new industries into our area and get the community back on its feet.

9:10 p.m.

The minister was in eastern Ontario a couple of weeks ago speaking at a Tory nomination meeting not far from my riding. As a matter of fact, he was only a few miles from my riding. It is too bad he did not come over and have a look at some of the difficult situations we are having; it would have assisted him in his work. I know Claude was in my riding, but I want the Treasurer to know that is not half as good as having him there.

The Deputy Chairman: The member should refer to ministers by their titles.

Mr. Boudria: The Minister of Municipal Affairs and Housing was there—

Hon. Mr. Grossman: He has been keeping me well informed.

Mr. Boudria: Yes, I am sure he does.

Hon. Mr. Grossman: And Noble will keep me

very well informed as soon as he gets here on the 16th.

The Deputy Chairman: Order.

Mr. Boudria: I suggest that the minister let the people of Stormont, Dundas and Glengarry decide who they want for a member. That is not going to be decided by the minister. As he knows, the people there are mature enough to make their own decisions, in spite of the fact that he is trying to make people decide what he likes as opposed to what they like. However, I must tell the minister that in their wisdom the people there will not likely choose another member from his party. I am sure they will see the light and elect someone from another party and give a real strong speaking voice to the people of Stormont, Dundas and Glengarry in this Legislature.

Hon. Mr. Grossman: Let's make a bet.

Mr. Boudria: I am not here to make wagers with anyone.

Hon. Mr. Grossman: I guess not. Your judgement isn't that bad.

Mr. Boudria: This has nothing to do with my judgement. As I say, the people of that constituency will make their choice. I think they will do it very wisely as electors normally do, or normally should I suppose I should say.

I was speaking moments ago about some projects that would be necessary in our area and I discussed the economic difficulties of the town of Hawkesbury; but there is more that is needed. In Prescott-Russell we are in dire need of some major provincial highway improvements. I hope the Treasurer is paying close attention to this and that in concert with the Minister of Transportation and Communications he will give some priority, if not a very high priority, to some highway projects in the vicinity of Prescott-Russell.

On Highway 417, the minister will know we need a fully developed interchange at the McCrimmon Road exit. That is probably the road he took to go to that meeting in Stormont, Dundas and Glengarry the other day. If he did not take that road, may I suggest that the next time he goes to that constituency, or to any other one in eastern Ontario, he use that particular egress from Highway 417 and he will see that it needs some improvement.

Highway 17, with which the minister is no doubt familiar, goes from Ottawa to Montreal through the great riding of Prescott-Russell, along the Ottawa River; it also needs quite a bit of improvement.

I would like the minister to take note of the fact that we need some major improvements, especially between Rockland and Orleans. Rockland, a community approximately 30 kilometres east of Ottawa, is now developing as almost a suburb of Ottawa. Many people are living in that community and commuting to the city; therefore, there needs to be a better link between those two communities. The traffic count is getting to be considerably higher and we need a strong emphasis to be placed on highway improvements in the area between Orleans and Rockland.

I hope the minister will bring this matter to the attention of his colleague the Minister of Transportation and Communications and offer him the funds necessary to do these projects.

Mr. Wildman: The Rockland stretch used to be called a suicide stretch.

Mr. Boudria: The member for Algoma reminds me that the highway between Rockland and Ottawa used to be called "the killer strip." He is quite correct; that was a very bad stretch of highway, it is still bad and needs improvement.

If improvements are being made to the highways, I suggest they are also needed in the area of L'Orignal and Hawkesbury, because of the Ivaco steel mill up there.

I have touched on only a few items that we need in agriculture, transportation and assistance for some of our municipalities. My colleague the member for St. Catharines has outlined to the minister how his government really needs to provide extra assistance for counties and municipalities that have a high incidence of general welfare assistance.

The minister will know, of course, that his colleague the Minister of Community and Social Services (Mr. Drea) has offered some mild improvement in that area, but as I see it there is only one county in this province that qualifies to get an increased percentage of assistance and, as far as I have been able to see, the counties of Prescott and Russell will not qualify, being short of the criteria that were established by his colleague. Needless to say, the government has to be more generous in that area because there is a serious strain on our county social service system in Prescott-Russell.

Also of concern, and I want the minister to know this, is the development agreement between this province and the federal government. It seems to me again that eastern Ontario throughout the years has been getting a decreasing percentage of the funds from that agreement and I want the Treasurer to address that in his

comments. I really want to know from him what he intends to do to correct the iniquitous situation that we have in eastern Ontario.

There is another theme that I would like to raise very briefly, and again it was touched on by my colleague the member for St. Catharines. It is the whole issue of our unemployed young people. Surely it is the saddest thing that we can see in this province right now, and I say this from a nonpartisan viewpoint and as objectively as I can. The unemployment situation among our young people should be a top priority for the Treasurer, his ministry and his government. The fact that some 169,000 young people in this province between the ages of 18 and 25 are out of work is certainly one that we should all be concerned about, and very seriously.

It strikes me that we are letting our young people down if we do not take immediate initiatives to improve that situation. It is very difficult when you are in your constituency office to see young people come in to show you their diplomas, their degrees, their certificates and what have you and to have to turn these young people back and tell them you are sorry but you have nothing to offer them. That is indeed a very sad situation.

About a year and a half ago my colleagues the member for Kitchener-Wilmot (Mr. Sweeney) and the member for Essex South (Mr. Mancini) and I were assigned to a task force on youth unemployment by our leader, the member for London Centre.

We toured the province and met with various groups of young people from all areas and from all walks of life, whether they were from drop-in centres or in high schools, universities and everywhere else. We did not just go to one area and listen to one particular segment; we talked to young people from all walks of life and they all had one common theme in what they told us: they were not guided very well in the direction they were going.

They do not receive nearly enough assistance when they are in school towards professional or career guidance by our teachers. That is not because our teachers do not do a good job; it is because the number of our guidance teachers is not large enough to fulfil the demands made upon them by the students. When our guidance teachers are busy doing crisis counselling or such matters they are not leading our young people to a career goal.

9:20 p.m.

It is very unfortunate when we see a young person of 17 or 18 who has chosen to leave

school, who has dropped out, and he tells us he had no idea what work was like, that he left school wanting to be an auto mechanic. Unfortunately, we still let our young people believe there are all kinds of opportunities for them in any given area. Young men still like to play around with automobiles and want to be auto mechanics at one point in their lives, when they are 14 or 15. It seems to be a very neat thing, I suppose.

Our young people direct themselves to areas where there is very little opportunity, if any at all, for them. Our young ladies watch *Loveboat* or something on television and want to be cruise stewardesses, not even asking themselves whether there are opportunities for employment in that area.

All this is to say, before the Chairman indicates to me that perhaps I am not speaking directly to the estimates at hand—I believe I am, of course—we need a greater commitment from this province to providing career opportunities for our young people and from this government and this ministry in providing programs that will bring our young people back on the job market rather than having them stay at home with little or nothing to do.

I believe the minister, being one of the younger ministers in the cabinet, can perhaps relate to this problem of youth unemployment better than some of his colleagues because it is not so long ago since he was that age himself. It is a few years ago, but not so long that he will have forgotten, I am sure.

When the Treasurer and I were leaving school, however, there were jobs there. I will not say, in my case, they were the best jobs one could have, but at least if I wanted to work there was work for me as a young person. I did not have the very best of jobs when I got out of school and started to work, but there was something for me to do. If one did not like a job, one could switch to another because there were plenty of jobs to go around for everyone. We do not have that situation now.

I am sure if the Treasurer has a son, or if people he knows have children in their teens, he can see them approaching that period in life when they are going to be starting to look for employment, or they could potentially look for employment. But the situation is totally different from when he and I were that age and started out in life by being gainfully employed. I really hope the government over the next short period of time will address itself in a major way to the very serious problem we have with our

young people in this province and the lack of opportunities that are afforded to them.

Certainly, the people of my constituency would like to see a few other measures enacted by this ministry. The budget of little over a year ago placed a seven per cent tax on such things as children's lunches at school and other necessities of life—without enumerating them as has been done in the past in this House. Given the difficult economic situation some of our people are facing, I am sure the minister would agree that this tax is very regressive and very difficult for our people to pay, especially in areas of very high unemployment such as my riding.

In ending, there is one other topic I would like to raise very briefly, namely, the matter of the preferred shareholders of Crown Trust. There are members of this Legislature who may think that when talking about hardship cases why talk about preferred shareholders in a trust company? I want to remind all honourable members that most, if not all, of the preferred shareholders of that company are senior citizens, people who have saved some money and placed it in Crown Trust in the hope and honest belief their funds were as secure as if they had purchased treasury bills. They were of the belief they had a very secure retirement income. For them, that was their pension. That they have been let down by everyone is most unfortunate.

The Treasurer, handling funds as he does for our government, will know what it is like when one's investment disappears. The government invested money in Suncor and it has seen that disappear, so the minister knows what it is like to lose money. The money these people are losing, however, is their own and the only money they have, whereas the money the government invested in Suncor is somebody else's, the taxpayers'. If it does not have enough it can always go back and ask the taxpayers for more, which they will reluctantly give, unfortunately.

These preferred shareholders were replied to by a colleague of the Treasurer in a letter of November 14. His colleague, Mr. Dennis Timbrell MLA, as he calls himself in this letter—

Mr. Haggerty: Misled all around.

Mr. Boudria: Pardon? His colleague the member for Don Mills writes in a letter he sent to the preferred shareholders, "Such a situation is quite different from a case where a businessman is investing his money and is prepared to take substantial risk in the hope of correspondingly large profits."

What he is saying to the preferred shareholders in this letter is simply that they are high

risk-takers in the hope of making a quick buck. The minister and I know one does not buy preferred shares in Crown Trust expecting to make oodles of money. I wonder how Hansard will spell "oodles." One does not invest money in such a venture in the hope of making very high returns. This was a long-term retirement income for those people and they have not seen this government prepared to do anything for them. Because most, if not all, of them are senior citizens in great need of assistance, I wanted once again to raise their concerns with the Treasurer, who is the minister handling the purse-strings of behalf of this government.

I hope the Treasurer will give a fair share of provincial dollars to eastern Ontario and maybe just a little more than a fair share to make up for all the years we did not get what was rightfully ours.

Hon. Mr. Grossman: Mr. Chairman, I wish to try to cleanse the record in terms of the treatment eastern Ontario has received from this government.

Mr. Wildman: Did you say "whitewash"?

Hon. Mr. Grossman: I have not had the opportunity to get the specific details of the incredible support this government has offered eastern Ontario over the years.

Mr. Haggerty: You probably wouldn't find any.

Hon. Mr. Grossman: However, I was able to find something at hand. Because there has been so much support, there is always some evidence of it close at hand.

I should remind the honourable member that I was at the ground-breaking for the fine new Hawkesbury hospital, a major investment of \$16 million or \$17 million in that community. It is one of the finest facilities we have built. We made that commitment and we are spending those dollars at a time when the economy badly needs those dollars and at a time when most provinces are not investing anything in facilities like that because they do not have the money to invest. We do.

9:30 p.m.

I had occasion to be in eastern Ontario not too long ago, in Ottawa. I visited the new Canada's Capital Congress Centre in Ottawa. I was there with all my colleagues—and happily there are many of them—from the Ottawa area. That is an impressive new building. Our contribution will be approximately one third of \$36 million, if not more. At that time, I was able to hand over a \$3-million cheque to the regional

chairman as an interim payment against that very fine facility, which would not be there if it were not for the government of Ontario.

I have been to many hospitals. Not only was I at the Hawkesbury Hospital sod-turning, but at many other hospital events in the Ottawa region in my time as the Minister of Health. The Ottawa Civic Hospital had an opening just a short time ago in September. I attended ceremonies at the Royal Ottawa Hospital and one or two others in my short 17 months with the Ministry of Health.

My colleague the Provincial Secretary for Resources Development (Mr. Sterling) reminds me of the new agricultural school in the great community of Alfred, which, as all members of this House will know, is there because of the excellent work done by the predecessor of the current member for Prescott-Russell (Mr. Boudria).

Hon. Mr. Gregory: Isn't the courthouse in Ottawa under way?

Hon. Mr. Grossman: The courthouse is under construction now. I had forgotten the Ottawa courthouse.

Whenever we on this side think of our dear former colleague Albert Belanger, who served the Prescott-Russell area so effectively for so many years, we often think of the boundary road between Osgoode and Russell townships which is there thanks to his good efforts.

My colleague the Provincial Secretary for Resources Development reminds me of the many additions and improvements made in his riding in eastern Ontario to the Kemptville College of Agricultural Technology.

The member has referred to the eastern Ontario subsidiary agreement. I know he would want me to read into the record the full extent of that agreement. It was signed only in 1979, but in that short number of years there have been commitments totalling \$46.1 million. The Minister of Revenue would like that in his riding, would he not? That is \$46.1 million under the eastern Ontario subsidiary agreement.

My colleague the Minister of Revenue wants to know what that went for. I want to tell him that \$23 million went to agriculture in eastern Ontario, \$9 million to forestry, \$4 million to minerals, \$4 million to tourism and \$10 million to small business, the heart of our economy. That is really quite significant support.

Lest members think this is the entire support for small business, I should remind the member for Prescott-Russell that the Eastern Ontario Development Corp. has the kind of preferred

rates for eastern Ontario that are not available to my colleagues the Minister of Revenue, the member for Humber or the member for Oxford. They are not available in their ridings and certainly not in my riding. But eastern Ontario has preferred terms and interest rates from the EODC.

Thanks to the efforts of many of the fine members from eastern Ontario on my side of the House, the EODC since 1972 has offered so much assistance that by the summer of 1983 we had \$71 million worth of outstanding loans in eastern Ontario. These loans not only have contributed a great deal of employment, but have also levered more investment from the fine burghers of eastern Ontario, as the member for Renfrew North would say.

They have contributed \$12 million in addition, capital that we have levered through the EODC from the private sector to invest in the member's community. We are talking here about all the assistance programs we have talked about—not to overstate it, because I do not wish to overstate it—and literally thousands of new jobs in eastern Ontario.

Mr. Boudria: That is why everything is so great. There is 20 per cent unemployment in my riding. You have been doing really well. Let's have a vote on it in my riding.

Hon. Mr. Grossman: We will have a vote on December 15 on it and we will see how it turns out. If you wish to wager, I will see you after the House adjourns. You can name the price and I will even let you name the odds. How is that?

In any case, I just wanted to verify that for the sake of consistency and a semi-complete record because I have not gone back to the office and checked the records. I have not had the chance to consult my colleagues who have done so much in areas such as agriculture. I have not spoken to the Minister of Industry and Trade (Mr. F. S. Miller) to get more complete details. Indeed, if I had had the opportunity to consult with them, the one hour and 49 minutes yet remaining in these estimates would be taken up just with my cataloguing the things that have been done in eastern Ontario. But I am sure Noble Villeneuve is doing that for me this very evening as we sit here and as he will be doing here on December 16.

Mr. Haggerty: Mr. Chairman, I was interested in the minister's comments earlier today when he talked about job creation plans, particularly for the youth in the province. I know my area—and when I say my area I am looking at

the Niagara region—still has one of the highest unemployment rates to be found anywhere in Canada. It is well above the nine to 10 per cent that the minister indicated previously. It is still running about 14 to 15 per cent and it is rather a serious problem.

He also talked about the deficit this government has accomplished over the last 10 or 12 years under the Davis government. He still says it is within reach of the taxpayers. I do not know whether it is those of this decade or the next 20 years, but he is borrowing on the backs of the young generation that will have to pay the large debt this government has accumulated over the last 12 years.

That is one of the concerns I have about the government and its fiscal restraint program, if one can call it that, and its financing of the taxpayers' money. Much of this will be paid, perhaps through the year 2000, on the backs of some of these young pages who are here tonight and who will be carrying the heavy debt this government has brought about.

I want to direct a question to the Treasurer. He does handle the purse-strings here, and there is no doubt that it has been discussed in caucus. I raised a question a couple of weeks ago to the Premier concerning a second helicopter deal for the province. I am quoting from the Financial Post of October 15, 1983:

"A second helicopter manufacturing facility for the world market, this time in Ontario, will be established by West Germany's Messerschmitt-Bulkow-Blohm GmbH, with an announcement from Lumley and his Ontario counterpart Frank Miller expected in a few weeks, the Post has learned.

"MBB, one of Europe's most prominent aerospace conglomerates, is said to be planning exclusive Canadian production of both an advanced new rotor system and an updated version of existing B-105 twin-turbine helicopters.

"The MMB operation—likely to take the form of a joint venture with Fleet Industries Ltd. of Fort Erie, Ontario—will complement the Bell Textron-Pratt and Whitney deal for Quebec."

I know there are rumours that the figure of about \$45 million will be required for the investment to get this off the ground in Ontario. I have also had some discussions with the Minister of Industry and Trade in the past couple of weeks concerning the proposed helicopter deal for the province.

9:40 p.m.

I know there is going to be some involvement of federal capital as there was with the deal

involving Bell Textron in Quebec. In that particular deal, \$275.4 million was funded by the federal government and \$110 million was funded by Quebec in the sharing of this new venture in Canada. Again it is going to create some 3,000 new jobs in Quebec.

Has the cabinet or the minister had any discussions with his counterpart the Minister of Industry and Trade about the involvement of the provincial government in this area? I am talking now about the seed money that Ontario is considering to bring in additional foreign capital to Ontario and create perhaps 200 or 300 new jobs at Fleet Industries Ltd. in Fort Erie. I can say this much: If it does locate in Fort Erie—which I hope it will—it will mean an expansion of the plant facilities down there and perhaps will mean a new building to handle the new venture in helicopter construction in Ontario.

What input has the minister had in this area? Can we expect some involvement in seed money from Ontario and in particular from his ministry?

Hon. Mr. Grossman: On this one, I and my colleague the Minister of Industry and Trade were under severe pressure from the Provincial Secretary for Resources Development to consider an eastern Ontario location for this particular—

[Applause]

Mr. Foulds: Why is the member for Prescott-Russell clapping?

Hon. Mr. Grossman: That is what it cost for eastern Ontario.

Just to confirm this for the member, we have indicated that we would be happy to provide an appropriate level of support for that facility, be it in eastern Ontario—as so many of our investments have been—or in the Niagara area.

Mr. McClellan: Or in the Toronto Islands.

Hon. Mr. Grossman: No, we do not want it there.

Mr. Foulds: No investment in the Toronto Islands? No housing projects?

Hon. Mr. Grossman: I had a lot of sweat and blood on the thing. It is a big investment, not helicopters.

Mr. Foulds: Don't let me sidetrack you.

Hon. Mr. Grossman: I got sidetracked. I heard "Toronto Islands." The Islands always sidetrack me but never vote for me.

Mr. McClellan: Let's talk about redistribution.

Hon. Mr. Grossman: See how they like it.

The Minister of Industry and Trade has been very interested in this and has come to the

Board of Industrial Leadership and Development and asked for the support of BILD for this project. The BILD ministers, aggressive as always in promoting the industrial development of this province, have offered good support for this project. They have offered the Minister of Industry and Trade sufficient latitude to negotiate an appropriate level of support to ensure that project comes to the Niagara area.

We are hopeful the federal government will work with us in a co-operative way to ensure that the kind of excellent record we have established here in Ontario for negotiating good, tough but fair deals will be made available to us. Those negotiations are still going on, but I want to take this opportunity to assure the member that we are committed to doing everything reasonable and appropriate in the circumstances to allow the Minister of Industry and Trade sufficient latitude to make an appropriate deal.

Vote 901 agreed to.

Votes 902 and 903 agreed to.

On vote 904, economic policy program; item 1, economic policy:

Mr. Foulds: Mr. Chairman, I raised a number of questions in my opening remarks about economic policy in Ontario with regard to regional development, diversification of industry and so on. I will not repeat my remarks. I would just like the minister to reply to them.

Hon. Mr. Grossman: Would the member repeat the question?

Mr. Foulds: I raised a number of questions in my opening remarks, which I need not repeat, relating to economic development. They had to do with regional development, diversification of industry, upgrading our skills in the manufacturing area and technological development. I need not bore the members who have been listening attentively to this debate all afternoon and this evening by repeating those remarks. I would simply like the minister to respond to the concerns raised in my opening remarks.

Mr. McClellan: Otherwise?

Mr. Foulds: Otherwise I may be called upon to repeat them.

Hon. Mr. Grossman: Well, he may be. Let me see if I have all of our notes from earlier today.

The member for Port Arthur talked a bit about not enough—

Mr. Foulds: Not a bit—quite profoundly.

Hon. Mr. Grossman: Well, extensively, not profoundly.

He talked about the Board of Industrial Leadership and Development program. I think I recall him suggesting that BILD was not composed of comprehensive, long-range packages. I must say I was surprised to hear him say that. I thought he might be interested in some more objective analysis than I might give.

Mr. Foulds: You already gave us that.

Hon. Mr. Grossman: No, I did not, not on BILD. The member might have missed this report, which appeared in the Edmonton Journal.

Mr. Foulds: No, I never miss the Edmonton Journal.

Hon. Mr. Grossman: He must have on June 2.

Mr. Foulds: No.

Hon. Mr. Grossman: He may have read the sports pages, but he missed the business pages, as always. I want to quote directly from the Journal—

Mr. McClellan: Could you not find an Ontario paper? Must you go all the way to Edmonton to find support?

Hon. Mr. Grossman: "Canada's recession was a death knell for some businesses while for others it heralded new life. Some firms could not adjust to the rapidly changing economic conditions and failed, but the companies who have survived are lean, mean and poised for post-recession growth. The same is true of the public sector. Some provinces"—here is the interesting part—"are helping themselves out of the recession with bold new policies and strong crown corporations to stimulate economic development. Others, like Alberta"—

Mr. Foulds: Strong crown corporations?

Hon. Mr. Grossman: Yes. "Others, like Alberta, seem to be sitting back waiting for deliverance."

Continuing the quote, it goes on to say—and the Minister of the Environment will want to hear this—

Hon. Mr. Brandt: I'm listening.

Hon. Mr. Grossman: The editorial goes on to say: "Ontario is a front-runner among the doers."

Mr. Foulds: It reminds me of the roadrunner and—what is that other beast?

Hon. Mr. Grossman: It gets better. "Its Board of Industrial Leadership and Development (BILD) was set up to meet the challenges of the 1980s and 1990s: increased energy costs and competition and decreased growth of labour." End of quote from the Edmonton Journal.

I know the member for Port Arthur is also a devotee of the Financial Times.

Mr. Foulds: Watch it. One of my colleagues used to write for that.

Hon. Mr. Grossman: However, he took a wrong turn and ended up in the member's caucus.

On April 8, the Financial Times said—I will read it: "The Ontario government's vehicle for revitalizing the economy is known as BILD." It went on to point out: "Under the BILD program, five technology centres have been set up." It went on to talk about each of those centres.

9:50 p.m.

"Ontario has moved to help small businesses in all sectors by removing its corporate income tax and through seminars in its overseas trade offices is encouraging them to export. The BILD program is having some success in building up a food processing industry to cut back on the \$2.5 billion of imports that came into the province in 1981. The Davis government has also used BILD money to create about 40,000 temporary jobs to alleviate unemployment."

Mr. McClellan: It sounds as if they just printed one of your handouts. This is a press release. They just printed a press release. Any fool can read a press release.

Mr. Foulds: As this exercise has just proved.

Hon. Mr. Grossman: The article goes on. I forgot to tell the member it is not the Financial Times that his colleague used to write for; it is an even more prestigious journal which his colleague probably could not have written for, the Financial Times of London.

Mr. Foulds: London, England?

Hon. Mr. Grossman: That is right. That is looking from a distance and commenting in a jealous way about the Board of Industrial Leadership and Development and its success.

Mr. McClellan: Which page was it on?

Hon. Mr. Grossman: I do not know what page it was on. The member has—

Mr. McClellan: Not page 903? It sounds like the personnel ads.

Mr. Foulds: I had a number of specific questions.

Hon. Mr. Grossman: Did you? Terrific. I just want to cover a couple of the matters the member did raise. He talked about several of our job creation programs. An analysis of those programs last year will indicate in all fairness that we did have a good array of job creation programs. The member has spoken of winter

works, capital works programs and the like, and the record is fairly substantial. I am going to read it into the record for him, because I know he would want to have it read.

Mr. McClellan: Why don't you just give us that book?

Hon. Mr. Grossman: Does the member want to find out what the leader of the third party said before he came here?

Here they are. Let us just look at some of these. If the member has some questions to ask while I turn the pages, he can go ahead.

Mr. Foulds: Can the minister explain why, under the BILD fund, the financial assistance for the Metropolitan Toronto convention centre is \$5 million more than the Urban Transportation Development Corp. equity purchase of the vehicle articulation works?

Hon. Mr. Grossman: Because it costs \$5 million more and that is the difference in cost.

Mr. Foulds: Specifically, is the UTDC equity purchase of \$32.1 million the purchase price of the Can-Car trailer division of Hawker Siddeley Canada?

Hon. Mr. Grossman: No.

Mr. Foulds: What is it?

Hon. Mr. Grossman: The research lab in Kingston—part of our continuing investment in research and development—was for UTDC and has allowed it to do a lot of its international sales and development of new vehicles.

Mr. Foulds: Why is it listed as an equity purchase?

Hon. Mr. Grossman: Because it was an investment in the expansion of UTDC. We put more equity into the company, which allowed it to expand and build a new research facility.

Mr. Foulds: But how much is the acquisition of Can-Car Hawker Siddeley going to cost?

Hon. Mr. Grossman: I will get the precise figure for the member.

Mr. Foulds: Can the minister also tell me where the \$12.5 million for the drydock construction is slated for?

Hon. Mr. Grossman: It is the Collingwood and Port Weller drydocks proposal, which has not been taken up yet. It is an allocation that has not been drawn down.

Mr. Foulds: It has not yet been taken up. Has any submission been made on behalf of the Port Arthur drydock at Thunder Bay?

Hon. Mr. Grossman: I am sorry; did I not say Thunder Bay as well?

Mr. Foulds: No. You said Collingwood and Port Weller.

Hon. Mr. Grossman: I am sorry. I did not mean to leave that out. There are three projects.

Mr. Foulds: Can the minister indicate what the proposal is and how much federal funding, if any, is being contributed to it?

Hon. Mr. Grossman: As my staff recalls the specifics of that item, one quarter of the amount was to be put up by the companies, and they indicated their willingness to do so. We have indicated our willingness, as evidenced by our allocation here, to come to the table as well and provide that degree of funding. The federal government to date has not been willing to make a firm commitment to those projects. When it does, our commitment will be drawn down. I am informed that the private sector has indicated its willingness to participate to the extent of 25 per cent. All we need is the federal contribution.

Mr. Foulds: Is the provincial contribution going ahead whether or not the federal contribution comes forward?

Hon. Mr. Grossman: All parties have agreed that federal participation is necessary to make the project go. We stand ready in this circumstance to fund the amount we have indicated as being set aside and committed for that, provided the federal government comes in for its portion.

Mr. Foulds: "All parties." That means the Treasurer and the private companies concerned. Why is it necessary for the minister to wait for the feds to proceed?

Mr. Boudria: What would you do without the feds?

Mr. Ruston: You take their money and blame them for something else.

The Acting Chairman (Mr. Robinson): Order.

Hon. Mr. Grossman: All members of this House are anxious to get projects such as this, and I know the member for Port Arthur is particularly anxious to get these projects under way. We are all equally anxious to make sure we do not begin to take on the backs of the Ontario taxpayers only responsibilities that the federal government has taken on behalf of all the taxpayers of Canada.

Interjection.

Hon. Mr. Grossman: Wait a minute. There is quite a difference, because the federal government in many other provinces has met its responsibilities for drydocks. In several other

provinces in the last couple of years it has been willing to support drydock upgradings such as this but it has so far declined to do so in Ontario. This is not unlike some of the things we were talking about before.

Obviously, I share the desire of the members to get these drydocks under way. I was part of the group that wrote the original BILD document and wrote those drydock projects into that document. We wanted to indicate we were prepared and fully committed to putting up funding to allow this to happen. But drydocks are a federal responsibility. We put those monies up to try to lever quicker action and get those projects under way.

The federal government, at the same time as it is continuing to support drydock upgradings in other provinces, has to date refused to participate with us in Ontario. It is a difficult situation we find ourselves in. If we do 100 per cent of it, or 75 per cent with the private sector doing the other 25 per cent, pretty soon we find the federal government is spending all the money it collects from Ontario in other provinces and we are beginning to pick up the total burden of industrial and economic development in this province, which would be patently unfair. I do not think that is an unreasonable position.

Mr. Foulds: I have some sympathy for the argument the Treasurer has put forward, except it is my understanding that the province actually announced this part of the BILD project without consulting with the federal government in the first place. So what the Treasurer did was on speculation. There had been no intergovernmental negotiations about the possibility of the project ahead of time. If that is wrong, I will be glad to hear about it.

I would like to put to the Treasurer as strongly as possible, because I am at this level, that the Great Lakes water system, the three shipyards we have on the Great Lakes, is in fact one of the major industrial components of our economy in Ontario. We have neglected the Great Lakes, both in terms of its port facilities and in terms of its shipbuilding facilities, for far too long.

10 p.m.

I agree with him that the federal Liberal government has done so, but I also suspect there has been a fair amount of Liberal and Tory rivalry about which of the shipyards gets what; in one case, Port Weller Dry Docks has traditionally been a Tory firm and the

Collingwood-Port Arthur shipyard has been traditionally a Liberal firm.

I would suggest that kind of corporate politics has no part in the development of those centres. I would suggest to him that there has been far too much politics played, in the pejorative sense of the word, with the development of the dry docks in these areas than is good for the people in those communities.

I would like a commitment from this minister that this will not happen and that he will not play these games, "It is the feds' fault, not the province's fault." I would like to see the damned work gotten on with and done.

Hon. Mr. Grossman: Let me say, and this is helpful because of the member's particular concern, which of course is shared by my colleague the member for Fort William (Mr. Hennessy), and because of his particular concern he may take this message forward, we have indicated to the federal government on this and on many other projects that if it feels a particularly pressing need for political profile at this particular time it can have it all; we care nought.

I have related that to the federal ministers. The member can check with them. I have told them that. They can have all the credit, do all the ribbon cutting, they can put up all the signs they want. All we want is our fair share of the economic development money for Ontario.

In these three projects, the same applies. We have made our commitment quite clear and under any terms on which the federal government wishes to participate. I have to leave myself the option of, say, not coming with unreasonable terms, but under any set of reasonable circumstances under which they want to come in on those three projects, if they want to come in on one, two or three, if they want to come in taking all the credit, if they want to re-announce, I care nought.

I simply want to get those three projects under way and the member may relay that message. I have relayed it already in terms of all the projects we have on stream. Give us our fair share of economic development money, particularly in those areas where they have the primary responsibility such as drydocks, and our money is available to be drawn down.

Mr. Foulds: I wonder if the minister could share with us the particular proposals with regard to those three shipyards. If they are not available now, I wonder if he could in fact forward them to me. Exactly what are we talking about in terms of drydock construction? Is he talking about specific proposals from each

of the two companies about the three drydocks? Is he talking about rehabilitation? Is he talking about extension of drydocks? If they are not now available, I would be pleased if the minister could forward the particulars of those proposals to me.

Hon. Mr. Grossman: We are trying to get a federal government commitment, which I think is the only reasonable way to proceed, to participate in these projects. I think the final shape, everyone knows; the companies of course know the general areas, the size and the cost of the projects. The federal government knows that as well, because we have relayed the information to it.

All that is outstanding is the question of participation in principle. They have to say yes, they are going to come in and meet their responsibilities for drydocks in Ontario as they have in other provinces. If they do that, then I can say with some confidence that the specific structuring of the deals will not be an impediment. The major impediment now is that they simply do not want to participate in the deals. It is not that they are saying they do not want to participate to the levels we are talking about. They are not saying they do not want to participate with a degree of partnership or the way the deal is constructed. They are currently saying they do not want to participate.

The Acting Chairman: The vote is 904.

Mr. Foulds: I have something further.

The Acting Chairman: I knew that.

Mr. Foulds: You had better believe it, Mr. Chairman.

The Acting Chairman: The member cannot fool me. Does he have other questions on vote 904, or did he want another member to speak?

Mr. Foulds: I certainly do. I notice in the specifics under vote 904 that the Premier's study committee on the domed stadium is being funded to the tune of \$300,000 out of the BILD fund. I would like to know the specifics of that. What kind of per diem or salary is the chairman getting? What does that figure represent?

The argument I put in my leadoff was that surely to goodness the deputy minister, with one or two other knowledgeable people, could make a decision on that without having this kind of extra-parliamentary committee.

Hon. Mr. Grossman: I will have to get the member the details on that. It is a figure that was arrived at so that the committee would have the opportunity to make the detailed investigations

that are appropriate. It is a very small committee, as the member knows, with no significant bureaucracy, or no bureaucracy. It has had an extensive number of meetings and heard an extensive number of submissions. I shall get the actual figure as opposed to the allocated figure for the member.

Mr. Foulds: If I may, this is a committee where we have a bit of a discussion back and forth, as well as questioning on these particular items. This \$300,000 does seem to me to be a lot for a committee to examine the possibility of a domed stadium. It would seem to me that before we have an allocation which we vote on, we should have some details of that. However, the minister said he will get that for me.

Can the minister also explain why there is \$10 million set aside under the BILD fund for advertising and marketing of tourism in Ontario? Why does that come out of this fund? Why is that not in the advertising fund of the Ministry of Tourism and Recreation?

Hon. Mr. Grossman: One of the things that I was successful in getting written into the BILD document a couple of years ago was the extension of our support for tourism into the United States market.

The member will know that one of the very successful things the Ministry of Tourism and Recreation has done over the past few years is the newspaper supplement that appears twice a year in Ontario newspapers. We really wanted to get that into the United States and did not have—

Mr. McClellan: Do you mean the one for New Brunswick? The one for New Brunswick or the one for Ontario?

Hon. Mr. Grossman: The Ontario one.

Mr. McClellan: I understand they are done by the same firm.

Hon. Mr. Grossman: One goes with the best people. We had hoped to get that but, of course, in the 1978 to 1981 period of time we had an enormous growth in the budget for tourism advertising. It was felt it was sufficient, through the normal allocations process, to look after the domestic needs.

When the BILD program arrived, it allowed the expansion into foreign markets, particularly in terms of earning export dollars. At that time, I was successful in convincing my colleagues that an extension of that newspaper supplement into American markets would be one of the ways we could earn export dollars in one of our most

important industries, the tourism industry. I know the member will support me in this.

I wanted the expansion to put that supplement in papers such as the Detroit Free Press, the Cleveland Plain Dealer, the Buffalo Evening News and two or three other newspapers in border markets. My colleagues agreed and, therefore, they agreed that in order to run those supplements in the American newspapers we would provide \$2 million a year, which is the cost of those supplements in, I think, five newspapers. We will provide this for five years running, which would amount to \$10 million.

Mr. Foulds: It does seem to me, as much as I admire the Treasurer's commitment to tourism in Ontario and as much as I admire his commitment to marketing Ontario's tourism outside Ontario's borders, that it is somewhat—I am trying to think of the right word—inappropriate that something that is called industrial leadership and development is spent on advertising.

10:10 p.m.

Advertising has its place and I have never denied that. Even advocacy advertising for tourism in Ontario has its place outside the borders. What I find strange is that he has it in this item. Why is it not up front in the advertising budget of either this ministry or the Ministry of Tourism and Recreation? That is what I find strange. Why is it buried in here?

Hon. Mr. Grossman: Very simply, the way you develop the tourism industry is not only through the traditional loans we have through the Ontario development corporations, the loans BILD provides through the tourism redevelopment incentive program and the other programs we have to support the tourism industry; the way you develop the tourism industry largely is by introducing into foreign markets the excellent infrastructure we have helped to build throughout the programs I have just mentioned. The way you develop that market is by advertising in foreign markets.

I should pause to correct my information. I recalled it being five markets in the United States, but in fact there are 11 markets. In any case, it is listed here because that is the developmental aspect of tourism. Advertising in this case, I would respectfully submit, would be an incorrect designation. It is, in fact, developmental marketing; that is what it is all about and that is the way you do it for this business, the tourism industry.

Mr. Foulds: I would like to know what studies are being conducted by the ministry and by

BILD or whatever to see what effect the kind of advertising program they have in here has and whether they are getting their \$10 million worth. I think this is crucial if they are going to be spending that money. What kind of follow-up and what kind of survey of tourists who actually visit Ontario are they able to conduct in order to find out whether they have come here as a result of this kind of expenditure? It is only by evaluating that kind of expenditure that they can find out whether or not it is worth while.

Hon. Mr. Grossman: I might say this whole area of surveying is quite foreign to me, but as I recall, the—

Mr. Foulds: As my 10-year-old son would say, "Just one of Larry's little jokes."

Hon. Mr. Grossman: You have a very intelligent son; I can't understand it.

As I recall from my time at Tourism, these surveys are done on a regular basis. They literally monitor all of these activities. I do not want to mislead the House in any way. I am not sure if it was done this time under this same contract, but it is often done as part of the services purchased from the agency; that is, they do some pre-marketing, they do the advertising and they do some post-market analysis in order to answer the very question the member raises.

I remember the first time we ran those ads. I was still Minister of Industry and Tourism. This is unscientific, but many of the operators in Ontario told me they had to stay beside their phones because some of them got as many as 50 or 60 phone calls the weekend the ad went in the paper. As a result, the next time—I was not the minister—the ministry had to alert the tourism operators involved as to what weekend the supplement was going in the American newspapers because of the extraordinary number of calls that were coming. I presume that is still happening; I cannot be sure.

Mr. Foulds: I would like a commitment from the minister that he will make public and table with the House the post-market analysis of this expenditure.

Hon. Mr. Grossman: I cannot give the member that commitment. I may be able to, but that will be up to my colleague the Minister of Tourism and Recreation (Mr. Baetz). Some of that material would be most helpful to other jurisdictions that are searching for the same tourism markets as we are. Obviously, things like the "I Love New York" program are pointed towards the same markets in Ohio and Pennsyl-

vania as we are. However, if that is not a concern of the Minister of Tourism and Recreation, then it will be made available. We have to do the right thing.

Mr. Foulds: Finally, on this item, I would like to point out some inconsistency in the explanation the minister has given us. He tells us this is in his ministry rather than in the Ministry of Tourism and Recreation because it is part of the BILD program.

Yet on the same sheets we have in our briefing book for BILD, we have listed the projects that have to do with the Ministry of Agriculture and Food. For example, the incentive for increased production of asparagus, the incentive for increased production of tender fruit processing and the incentive for cream processing are all programs funded by the Ministry of Agriculture and Food. So what they have with BILD is a grab-bag. This minister is taking credit for some; other ministers are taking credit for some. I would suggest probably the \$10 million on advertising was an attempt to bury it.

Hon. Mr. Grossman: The member would be wrong if he suggested that.

Mr. Boudria: Mr. Chairman, very briefly, on the subject of economic development in my constituency, there is one question I did not raise earlier. It is one I would like the minister to respond to. The Treasurer will recall that his predecessor the member for Muskoka (Mr. F. S. Miller) after the closure of the Canadian International Paper plant in Hawkesbury asked a gentleman by the name of Milliken to produce a report on the effect of the closure on the town of Hawkesbury, and more particularly on what could be done to salvage the plant, to find new customers for the CIP mill and so forth.

This report was given to members of the town council of Hawkesbury and myself at a meeting we had with the member for London South (Mr. Walker), the former Minister of Industry and Trade. I guess that was around Christmas last year. Given that the Milliken report was prepared under the auspices of the Treasurer's ministry, I wonder if he knows of any more positive indication of finding customers for the CIP mill, people who could reopen it as some facility or other, recognizing all the things we know from the Milliken report, the age of the structure and so forth. Does the minister have any new information for us on that facility?

Also, to reiterate something I asked to which the minister did not respond in his remarks, in

regard to providing for the town of Hawkesbury, will he and his colleague the Minister of Municipal Affairs and Housing be providing more funds this year for the county and for the town of Hawkesbury?

Hon. Mr. Grossman: I know the member is aware of the commitment we have to doing something about the mill. The Ministry of Industry and Trade, as the member has acknowledged, has had the study done. I think the cost was \$25,000. We have made it quite clear we are very anxious to do whatever is necessary about that circumstance. Unfortunately, the study did not produce much hope at present of getting someone else to take over that operation. The ministry is continuing its search for someone and is doing so very actively.

Mr. Boudria: Is that still active?

10:20 p.m.

Hon. Mr. Grossman: Yes. They are keeping it on their books and continually trying to identify an opportunity for someone to come in there. Of course, the economic circumstances are not the best for any investments, let alone that one. However, the ministry continues to work on that particular item.

Mr. Boudria: Even if a customer were found tomorrow, there is still that serious deficiency in the municipal tax base of that area. I have outlined earlier this evening the problem with the sewage rates, the water rates, the decreasing assessment of some 15 to 20 per cent in the town and the effect it has on the united counties, the school board, etc. It is a loss of more than \$800,000 worth of revenue.

I have raised this with the Deputy Premier (Mr. Welch) and the Minister of Municipal Affairs and Housing. Can the Treasurer tell us if there is going to be any assistance for the current year? This is a very difficult situation. The calendar year has almost come to a close and the municipalities desperately need those funds. At the end of the year they are \$309,000 short in a small community like Hawkesbury. It is very serious. The Treasurer has responded to the other part of my question. Can he provide any information to enlighten us on this part of it?

Hon. Mr. Grossman: Our transfer payments are all calculated in order to reflect differing economic circumstances and the tax bases as they ebb and flow in various communities. Those circumstances are supposed to be picked up by virtue of the formula, which seems to have worked very well.

There are several communities that are experiencing particularly difficult economic times. The member for Erie has spoken of the particular problems in Niagara, and they are severe. My colleague the Minister of Labour (Mr. Ramsay) is probably facing some of the most difficult circumstances in the province with the enormous layoffs at Algoma Steel in Sault Ste. Marie. He has been speaking with me about those problems extensively. My colleague the member for Brantford (Mr. Gillies) has been through some difficult times in his community. We could go on and on.

In most of these circumstances, the grant structure has taken all of these matters into account because the formula is structured to do so. In all these communities, when particular opportunities present themselves—be it an opportunity for new investment, an opportunity for a speeded-up capital works project or anything that will aid the economic recovery of that community and add to the tax base—we have not hesitated to participate. Indeed, I just finished indicating to the member for Erie that in the case of the helicopter proposal in his area we are a party to the negotiations and are anxious to have those negotiations completed successfully.

Mr. Boudria: Perhaps the Treasurer was not listening to what I said earlier. I recognize that the grant allocation for this year had an increase in it of \$125,000. That was the original amount of money the local government expected to be short by the closure of the plant. However, that \$125,000 for the city has turned out to be \$309,000. So what I am saying, notwithstanding the fact that the government has made a special allocation this year there have been new considerations mid-year in that particular crisis.

I am asking if the Treasurer will make another special consideration because of what I have just enumerated. Can the Treasurer recognize the different steps that have happened here? I recognize he went in mid-year and offered something extra. However, since then the Assessment Review Board has come down with a decision that further decreased the revenue since the Treasurer made that special allocation. A new initiative is required. I just emphasize that again.

The Acting Chairman: The Treasurer has no comment on that.

Mr. Ruston: Could I ask the minister one question with regard to the BILD program? The government gave the H.J. Heinz Co. \$3 million—

and it is a matter of the philosophy that different people have—and they put in \$12 million of their own for expanding the tomato industry, which is fine. One of the things I was told by different people in the community is that that did not mean any new farmers received tomato contracts.

That is a worry to some people who are trying to get into the business and expand their acreage. It looks as if that expanded the large ones from 100 to 125 acres, the present growers, but no new farmers received any acreage at all. I suppose I should be talking to the Minister of Agriculture and Food, but since the Treasurer is involved in actually putting the money out it is a concern I have.

The other thing I have been told by some of the smaller plant owners who are also looking for assistance to do similar things is that if the government would lend this money to them interest free for about three years and then have them start to pay it back at a small interest rate that keeps increasing as the time goes on, that would be a way many more plants could make use of this same amount of money.

As I say, it is a philosophical matter as to what is the best way, but maybe they have a good point. It is just something I have been told by them because they have not been able to get in on it yet and they think the money would certainly go a lot farther.

Hon. Mr. Grossman: I will get some of those details. As the member indicated, those questions are more appropriately asked of the Minister of Agriculture and Food.

On the second item, the member has reflected on the way the Ontario Development Corp. traditionally carries on its programs in its own bailiwick. I will consider the member's last comments with my colleague.

Mr. Foulds: I just have one point I would like to make with regard to the youth employment winter Experience program.

It is my understanding that the criteria have changed since the program was initially announced. I ran into this problem with a constituent, and it is a constituency problem I brought to the attention of the Provincial Secretary for Social Development (Mr. McCaffrey) who is in charge of the youth secretariat.

I would appreciate it if it could be made clear in the future that if the program is expected to be for those who have less than grade 12 education, that be clearly on the application forms and all of the ministries out there that are

developing some very worthwhile projects know that when they interview the people.

In my particular case, there was a constituent who had a university education and who, I understand, is more than qualified for the project in every other respect except that she is "overqualified." She has been unemployed for the required period of time. I would suggest that in the winter Experience program it would be worth while to have university students who have been unemployed for long periods of time able to take advantage of that program.

The last thing I would like to say is that on the Inflation Restraint Board we will make our comments on Bill 111, where there will be ample opportunity.

Hon. Mr. Grossman: I should just draw this to the attention of the member for Port Arthur. First, I think his comments are well placed and

we will take that up with the youth secretariat as well with regard to making it clear that it is for people who do not have a degree.

The young Ontario career program, which is just starting up, sounds like precisely the program the member is talking about. It is well-funded with \$25 million. The point of that program is for post-secondary graduates who have not found suitable employment six months after graduation. Other than that, the framework of the subsidy, etc., is very similar to that of the other programs. That is the program they should apply to. It is starting up, so there is lots of space in that program.

Votes 904 to 906, inclusive, agreed to.

On motion by Hon. Mr. Grossman, the committee of supply reported certain resolutions.

The House adjourned at 10:30 p.m.

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Brandt, Hon. A. S., Minister of the Environment (Sarnia PC)
Cousens, D., Deputy Chairman and Acting Speaker (York Centre PC)
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Hansard

Official Report of Debates

Legislative Assembly of Ontario

Third Session, 32nd Parliament
Tuesday, November 29, 1983
Afternoon Sitting

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday, November 29, 1983

The House met at 2 p.m.

Prayers.

RESPONSES BY MINISTERS

Ms. Copps: Mr. Speaker, on a point of order: The acting Minister of Health (Mr. Wells) has had a tremendous degree of difficulty over the last number of months because he has been asked not only to fulfil his responsibilities as House leader, but also to take trusteeship over the portfolio that expends the greatest amount of public funds.

In that regard, he has been faced with a double difficulty, but as opposition critics we have also been faced with a double difficulty. A number of questions have been raised by both myself and my party, and by the leader of the New Democratic Party and his critic, over a number of months and the minister has promised he would investigate the situations and report back to the House. In many instances, the reporting back to the House has not occurred.

I wonder if the Speaker could take it upon himself, in his role as the arbiter of affairs in the Legislature, to make sure that when the minister, acting in his capacity as Minister of Health, gives an undertaking to report back to the House, this is done on every single occasion.

Mr. Speaker: After listening very attentively, I would have to tell the honourable member she has failed to establish a point of order. However, I noticed the acting Minister of Health did pay very close attention to what she was saying and I am sure he will act accordingly.

Hon. Mr. Wells: Mr. Speaker, on a point of personal privilege: I think I have reported back on a number of occasions and in generalities in regard to a number of specifics about nursing homes. I have also indicated I did not think I would discuss the personal details of overbilling charges and so forth in this Legislature because I do not think it is the place to discuss them. They are all being investigated.

As my friend knows, the estimates for the Ministry of Health begin next Monday. All the various matters that have been brought up have been itemized and will be dealt with there. The leader of the third party asked me about that

yesterday. I told him I certainly would not want to have everything cleaned up so the member would not have anything to handle in the 15 hours of estimates starting on Monday. If the member has a specific question she would like answered, I would be happy to bring that forward.

Mr. R. F. Johnston: Mr. Speaker, there has also been a difficulty because of the unfortunate circumstance of the illness of the Minister of Community and Social Services (Mr. Drea) and now the illness of the acting minister. There are a number of questions to which I have not heard answers. Is there a statute of limitations in terms of how long we are to wait for them?

One of my questions was about the Social Assistance Review Board taking forever to respond. It is now having that record beaten by the ministry.

Mr. Speaker: As I had ruled earlier, it was not a point of order. However, I allowed the honourable member to make his point of whatever. I am sure the acting Minister of Health (Mr. Wells) will take your comments into consideration.

Ms. Copps: On a new point of order, Mr. Speaker: The acting minister asked whether I was prepared to provide specifics with respect to his nonresponse to questions that have been tabled in the House.

Mr. Speaker: Order. I would have to ask you to put that question to the minister during the proper time.

Ms. Copps: Just on the point, Mr. Speaker.

Mr. Speaker: It is not a point of order with all respect.

Ms. Copps: The acting minister did say he would report back to the House.

Mr. Speaker: He will.

Ms. Copps: He asked me to provide specifics and I am prepared to provide them.

Mr. Speaker: Order. I would suggest you make him aware of your problems at the proper time. We are now going to have oral questions.

Ms. Copps: I do not wish to press the matter, Mr. Speaker, but I did understand the minister to say—

Mr. Speaker: You are pressing the matter, of course.

Ms. Copps: —he would be prepared to entertain an update on the situation about which he has promised to report to the House.

Mr. Speaker: I am sure he will.

Mr. Henderson: Where is the leader over there?

Ms. Copps: Where is the leader over here? Where are all the cabinet ministers?

Mr. Speaker: Order.

Mr. Roy: Mr. Speaker, will you entertain a motion to adjourn the House until we get some ministers in here, so we can ask some questions.

Mr. Speaker: No, we are proceeding to oral questions.

Interjections.

Mr. Speaker: Order.

Ms. Copps: Mr. Speaker, on the point that was addressed by the member for Ottawa East, I do not think the member is being totally specious in his suggestion.

Mr. Speaker: I did not suggest that.

Ms. Copps: You must realize that when we have a full front bench here, it is very disconcerting to look on the government side of the House and see that there are very few ministers who are even in position to answer questions.

Mr. Speaker: Order, please. Disconcerting as it may be, it is not my responsibility to assure attendance in this chamber.

Mr. Peterson: Mr. Speaker, my colleagues were just trying to give the ministers some time to appear. They were trying to do the government a favour. God knows, they need help at the moment.

ORAL QUESTIONS

RAPE TRIAL DECISION

Mr. Peterson: Mr. Speaker, in the absence of the Attorney General (Mr. McMurtry)—and, according to the list, I was under the impression he was going to be here today—I will ask a question of the Provincial Secretary for Justice with respect to the very disturbing and incredible case I am sure he is aware of. I know the Attorney General has been aware of it for some time. That is the decision yesterday of Mr. Justice O'Brien to jail a rape victim in Ottawa. We have the bizarre situation where a rape victim has been jailed and the alleged rapists are going free.

What steps are the secretary and the Attorney

General putting into motion immediately in order to rectify that incredible injustice?

Hon. Mr. Walker: Mr. Speaker, I would have to say the Attorney General is particularly concerned about that from a number of fronts.

It is rather interesting that in that very trial, I am told, a number of people were there supporting the rape victim in her quest not to testify and were extremely delighted when she was granted the right not to say anything at a particular point when the crown attorney, in essence, did not pursue the matter. That was followed by another situation on the other side of the courtroom where other people within the courtroom, supporting perhaps the side of the accused, gave the same kind of support as those cheering for the rape victim, with the same volume. It was a rather interesting and bizarre case.

2:10 p.m.

I know the Attorney General has called for a transcript on the matter of the trial. As well, he has looked into the issue of the contempt case. The contempt case has now been dealt with by Mr. Justice O'Brien. That has to be dealt with on the merits, and I am sure he looked at it in a proper way. However, I know the Attorney General is particularly concerned with the issue and has called for a transcript on the matter involving the trial itself per se and is concerned about the issue of the contempt case as well. The matter is before him and is being considered by him. No doubt he might have some observations to make at another time.

Mr. Peterson: Mr. Speaker, the minister will be aware that the victim has gone to jail for seven days. By the time the Attorney General comes back to this House, or shows his head, the sentence may be over. Clearly, this requires action today.

Is the minister, as the Provincial Secretary for Justice, as the superminister of justice, prepared to instruct or work with the Attorney General to launch an appeal immediately from the crown so that this young lady will not have to spend seven days in jail on a contempt charge?

Surely he has an obligation to take this stain off the precedent books of Ontario, and that is one way in which he could proceed immediately to protect rape victims in this province. Would he do that today?

Hon. Mr. Walker: I believe the Attorney General will be here, as someone notified me a moment ago, in a few minutes. In any case, as the chief law officer of the crown, he would be the one who would have to take any decision

involving an appeal. However, he can certainly expect any support I could give him.

Mr. Renwick: Mr. Speaker, by way of a supplementary question, as the Leader of the Opposition has said, the complainant in the rape case is in jail. What action can this government take today to procure the release of that complainant from the jail in Ottawa? Can it be done through the Minister of Correctional Services (Mr. Leluk)? Can it be done by order in council of the government of Ontario? Can it be done immediately? That is the crucial and key question before the minister.

Hon. Mr. Walker: Mr. Speaker, I would reiterate that is a decision the chief law officer of the crown must take. Constitutionally, that is his responsibility and he will take it; he will have to make the decision, whatever it might be. Remember that a court acting with proper jurisdiction has made a decision and made the decision the member has spelled out today.

Mr. Cassidy: Doesn't the government ever make decisions?

Hon. Mr. Walker: If there is to be an appeal, the crown attorney and the Attorney General will have to make that decision. That is their responsibility.

Ms. Copps: Mr. Speaker, surely the minister in his capacity as the secretary for justice policy is aware that this is not an isolated incident. Surely he is aware that both Debbie Parent, of the Toronto Rape Crisis Centre, and representatives of the Ottawa Rape Crisis Centre, deal on a daily basis with victims who are afraid to carry on through the justice system.

Surely the minister must recognize it is the responsibility of his government since statistics at present indicate that nine out of 10 women in this province who are raped will not go to court and will not fight their case.

Mr. Speaker: Question, please.

Ms. Copps: Surely the minister has to accept some responsibility and has to agree that the best way of attacking the problem would be by calling together all of the parties involved, including the Attorney General, who wrote to me on this issue last June, and making sure the Attorney General, in concert with the assistant crown attorney for the city of Ottawa, launches the appeal of a precedent-setting jail sentence for a victim who has come forth in a rape case.

Hon. Mr. Walker: Mr. Speaker, all I can say is that this is a very complicated case. It has many

sides that are conundrums, no matter which way one looks into the issue.

Mr. Renwick: No, it isn't. It is a very simple case.

Mr. Cassidy: There is a woman in jail.

Mr. Renwick: The law has made a mistake.

Mr. Speaker: Order.

Hon. Mr. Walker: I would say, Mr. Speaker, that when the Attorney General is here, he will make a decision relating to the question of any appeal, if there is to be one launched. That is his constitutional responsibility, and I can assure the member he will take that responsibility properly.

Mr. Speaker: New question.

Mr. Peterson: Everything is complicated, but surely there are matters of right and wrong and justice and injustice.

Mr. Speaker: Question, please.

Mr. Peterson: This is clearly an injustice and the minister has to respond in these kinds of injustice. Surely that is his responsibility. We do not need a lecture on the difficulty of this situation.

Mr. Speaker: Question, please.

Mr. Peterson: We need action now. My question to the minister is this. This obviously raises a number of broad policy questions that fall clearly under the minister's responsibility. One relates to the protection of victims. This particular victim was, shall we say, not particularly satisfied in her own mind with the quality of the protection she was offered.

It raises the question of expert witnesses also. The minister will recall in this case that Cindy Moriarty, the director of the Ottawa Rape Crisis Centre, was not allowed to testify, even though she had counselled some 1,000 rape victims in the past and could have shed some light and given expert testimony on the state of mind of the accused at that time. It has obviously raised the question of the funding of the victim advocacy centres across this province. That is clearly the minister's responsibility.

Is the minister prepared now to respond to the invitation of a number of people involved in victim advocacy in crimes of violence and rape, to put together a high level group to deal with those very special problems that are not being dealt with now under the laws of either Ontario or the Dominion?

Hon. Mr. Walker: The Attorney General and I met with the advocacy people as recently as a week ago. Certainly, we are prepared to put

together the necessary group of people to resolve the issue. We feel there is a compelling problem out there. We recognize that situation and we intend to address it. We have indicated that in respect of other aspects of victimology. I certainly think victim justice will become the entire theology of our government over this next year as it relates to justice. That is what the member can expect over the next round.

Mr. Peterson: I do not know how the minister can talk about victimology in this House when we know the statistics, when he knows because of this case other rape victims will be discouraged from coming forward, let alone testifying; because here we have a victim in jail. Surely that case stands in stark contrast to anything the minister has said in the many speeches and books he has published on the subject. This has to be rectified in order to get the message out very clearly.

Will the minister guarantee to those people involved with the victim advocacy clinics—as he knows, a number are in danger of closing down in the very near future; we have a crisis in our own home town of London—that those advocacy clinics will not have to close, and will he not go on saying forever that it is a provincial-federal battle? Will he guarantee they will not fall between the cracks of federal-provincial jurisdiction? Will he make that guarantee as he did on the transition homes?

Hon. Mr. Walker: I think the Leader of the Opposition is somewhat confused about the kind of clinics that are around. He realizes, of course, that there are rape crisis centres and that rape crisis centres have received funding under this government. Indeed, I was the secretary a few years ago who provided the funding for rape crisis centres across this province. We do not have to listen to a lecture from him on the matter or take second seat to anyone across this country in respect to the rape crisis centres.

Second, when it comes to victim advocacy centres such as those for battered wives, which he seems to be delving into for the moment in broadening his question somewhat, on the basis of the statements made by the Provincial Secretary for Social Development (Mr. McCaffrey) and by the Deputy Premier (Mr. Welch) just a few weeks ago, along with myself, we intend to take the necessary steps to ensure that the clinics, the various counselling centres and the shelters across this province will not in any way be imperilled for funding reasons.

We intend to sort out a new formula by the new year that will relate to consistent funding in

the matter of the shelters across this province. I do not think we need to take a lecture from the member when we are in no way shirking our duty. In fact, we can say our duty is being met and being met well.

Mr. Rae: Mr. Speaker, the minister knows full well that, apart from the question of the rape crisis centres and the transition houses and the counselling services contained therein, there is an important question he has missed; that is, funding for those centres that are specifically providing legal advice for people who have been the victims of crime either in the home or elsewhere. The minister knows perfectly well that is the question that was put to him both with respect to the centre in London and other centres.

Those centres have been funded on a seed basis only, and the minister knows this, by the federal government. He knows funding is running out. Is the provincial government prepared to find funding for those organizations that are providing legal, psychiatric and therapeutic advice both for the victims of crimes and the perpetrators of those crimes in order that we can finally get to the root of this problem and provide people with the kind of assistance they really need?

2:20 p.m.

Hon. Mr. Walker: Mr. Speaker, the leader of the third party is simply reiterating the question asked by the member for Windsor-Sandwich (Mr. Wrye) on Friday. It was asked of the Minister of Community and Social Services (Mr. Drea) and relates to the advocacy clinics for battered wives. The two that come to mind, of course, are Hiatus House in Windsor and the Battered Wives Advocacy Clinic in London. We have been talking to members of those two clinics. The Attorney General (Mr. McMurtry) and I met with members of the London Battered Wives Advocacy Clinic last Tuesday. We are satisfied that we are going to see enough support to continue the advocacy clinics in one way or another.

At the moment they are funded, as the honourable member says, by the federal government. There are assessments that are coming in. The one from London will be due by the end of December; it is now two months late, but it will be brought in by the end of December. The one from Hiatus House is due at the end of February. These were brought into the funding arrangements initially, and we expect to see the assessments of them. When the assessments are

in, we will form an opinion on the advocacy clinics themselves.

However, I still stand by the original point I made. Whether we are talking about the advocacy clinic itself, a shelter or, in the case of Hiatus House, both a shelter and an advocacy clinic, none of them will close as a result of impending peril or emergency funding. That will not be a problem over the next while. We have given that assurance and we intend to fulfil it.

Ms. Copps: Mr. Speaker, I am happy the minister is lauding his government's performance on the issue of rape crisis centres. I wonder whether he can explain to us why Debbie Parent from the Toronto Rape Crisis Centre, who was a full-time employee, is now on the unemployment rolls of this province because her rape crisis centre does not have the funding to carry on a full-time, full-staff component. Can the minister answer to Debbie Parent here in this House as to why the Toronto Rape Crisis Centre has had to reduce its staff from five full-time counsellors to two because of a funding crisis?

Hon. Mr. Walker: We are now back on to rape crisis centres, Mr. Speaker. The Coalition of Rape Crisis Centres across this province was granted a significant sum of money. Most recently that funding was renewed, and the funding is being administered by them.

If Ms. Parent has been discharged or let go from the Toronto Rape Crisis Centre, then presumably it was because they concluded that they had other purposes for the moneys they receive. However, we have no indication that there is any widespread unemployment among the workers within the rape crisis centres of this province. If that is the case, then we would like to hear more. But at the moment we are satisfied, and we have been satisfied in the past, that the amounts granted have been sufficient for their purposes. That has been the indication over the last while. If there are some exceptions, we would like to hear about them.

DETENTION OF RAPE VICTIM

Mr. Renwick: Mr. Speaker, I regret that the Attorney General is not here. I therefore have to address my question to the Provincial Secretary for Justice. I draw the provincial secretary's attention to the provisions of the Charter of Rights:

"Everyone has the right to life, liberty and security of the person and the right not to be deprived thereof except in accordance with the principles of fundamental justice."

Further on it says:

"Everyone has the right on arrest or detention . . . to have the validity of the detention determined by way of habeas corpus and to be released if the detention is not lawful."

Will the Provincial Secretary ask or advise the Attorney General to take action immediately to produce the body of the person detained in the jail in Ottawa before the Chief Justice of Ontario to determine whether that detention is lawful and in accordance with fundamental principles of justice?

Hon. Mr. Walker: Mr. Speaker, the answer remains the same as to the earlier question. The Attorney General is the chief law officer of the crown and must take a decision on the matter of whether an appeal will be forthcoming and whether, for that matter, a question of habeas corpus will be entertained. This is something the Attorney General must decide on his own in his constitutional responsibility as the chief law officer of the crown. The honourable member can expect his opinion as soon as he arrives, I am sure.

Mr. Renwick: Why was the crown law officer in the court in Ottawa so ambivalent with respect to the submissions made to the court that he did not join with defence counsel to deplore any suggestion that the complainant be placed in jail in this instance? Will the provincial secretary ask the Attorney General whether he knows of any other instance in any civilized country where a complainant in a rape case has been jailed for failure out of fear to give evidence in court?

Hon. Mr. Walker: Of course, I cannot answer in a specific case why a specific decision was made by a specific member of that court or why the crown attorney might make a certain kind of decision. I cannot offer comment on that, and it remains the jurisdiction of the Attorney General. I can draw to his attention the comments the member has made and his latter comments in respect of a specific case in any other part of the Commonwealth. That I will undertake to do.

Mr. Roy: Mr. Speaker, I find the response of the Provincial Secretary for Justice somewhat disappointing, given that just a few weeks ago he was making comments in this House about the abuse of victims, abuse towards women, etc. Considering that this particular case is not something that should be news to the government—this matter has been festering now for a number of months; the provincial secretary has known that this matter was coming up and that it was coming up before the

courts—can he explain why it is that he is not able to give some explanation or at least some answers to the questions being asked about the actions of the Attorney General and his ministry?

Why is it that he cannot tell us the crown will be looking into launching an appeal, considering the submissions made by crown counsel in this case, not asking—as I understand his submissions, from press reports—for a jail term? Why is it he cannot give us some explanation as to the protection given to the victim? Why is it that the Solicitor General (Mr. G. W. Taylor), or at least the Provincial Secretary for Justice himself, is not standing in this House and telling the citizens of Ontario the type of protection being given to victims of this type of case, because it is nothing new that motorcycle clubs threaten their victims? Can he give us some explanation as to the type of protection given to the victim by the police in this particular case?

Hon. Mr. Walker: Mr. Speaker, why does he not ask the Solicitor General that question?

Mr. Roy: I can't. You have to redirect the question.

Mr. Speaker: Is that a referral?

Hon. G. W. Taylor: Mr. Speaker, has there been a—

Mr. Speaker: Just a minute. Was that a referral or not?

Mr. Roy: Yes. It was a referral to the Solicitor General.

Hon. Mr. Walker: Mr. Speaker, let me take the question. In terms of the specific police action in that particular courtroom as it relates to that particular witness and that victim, one has to inquire of the Ottawa police, presumably, for the answer. I am not in a position to answer that.

I do not have the responsibility as Provincial Secretary of Justice for the actual day-to-day running of the courts. That is the responsibility of the Attorney General and, through him, the crown attorney. That is a question that has to be posed to him. The member cannot expect me to have the answer to that kind of question.

Mr. Roy: Will you allow a referral to the Solicitor General?

Hon. Mr. Walker: Why don't you ask the question when you have a moment?

Mr. Speaker: Order.

Mr. Renwick: I seldom want to lecture anybody about elementary law in the province, but the prerogative writ of habeas corpus means that you produce before a judge at any hour of

the day or night the person who is claimed to be unlawfully detained and find out whether or not that detention is lawful.

Will the provincial secretary urge the Attorney General to produce the person before the court today, whatever the hour of the day or night may be, before the most convenient judge of the High Court of Justice available wherever that person may be, to determine whether or not that detention is in accordance with fundamental principles in the charter?

Hon. Mr. Walker: The member for Riverdale (Mr. Renwick) can rest assured that the concerns he has raised relative to habeas corpus will be brought immediately to the attention of the Attorney General. However, it must be the Attorney General who formulates an opinion on that; it is his constitutional responsibility. I will see to it that the Attorney General has this matter brought to his attention within the half hour or the hour—maybe sooner.

2:30 p.m.

Ms. Copps: Mr. Speaker, on a point of privilege: We have one minister who is not prepared to speak on this very serious matter, we have another minister who is apparently unaware of what is being questioned and we have a third minister who feels the Grey Cup parade is more important to him than addressing this issue.

Mr. Speaker: Order. Will the honourable member please resume her seat?

Ms. Copps: The Attorney General should be here in the House to answer this question. Why is he not here instead of at the Grey Cup parade?

Mr. Speaker: Order, please. That is not a point of privilege.

EMPLOYEE HEALTH AND SAFETY

Mr. Wildman: Mr. Speaker, I have a question of the Minister of Labour. Is the minister aware that ITT Aimco of Mississauga, a company with a serious accident record and a long history of failure to guard machinery properly, of contraventions of the Occupational Health and Safety Act and of receiving orders—often repeat orders—from the Ministry of Labour, has suspended Dennis Bascom, the worker health and safety representative, for three days without pay, starting today, for carrying out his responsibilities under the act?

If the minister is aware of that, what action is he prepared to take to ensure that this suspension is rescinded immediately and to stop the

company from taking further reprisals against employees who exercise their rights and responsibilities under the act?

Hon. Mr. Ramsay: Mr. Speaker, I am not aware of that particular circumstance, but I will be pleased to look into it just as soon as question period is over today.

Mr. Wildman: In his investigations, I hope the minister will try to determine what led to the issuance of the letter of suspension yesterday after Mr. Bascom had advised operators not to operate a press without proper guarding following an accident resulting in the serious injury of another operator and after Ministry of Labour inspectors had issued an order that the company install proper guarding on that press and after the company had complied with that order.

Will he also look into the question of whether this letter of suspension threatens further reprisals up to perhaps termination of employment for this health and safety rep and whether this is not a direct contravention of section 7 and section 24 of the Occupational Health and Safety Act?

Hon. Mr. Ramsay: I will be pleased to look into the matter personally and expeditiously.

Mr. Wildman: In his investigations, I hope the minister will attempt to determine whether he should maintain his confidence in this so-called internal responsibility system when he is faced by irresponsible, flagrant and continuous contraventions of the act by companies like ITT Aimco. Is he prepared to make a decision to prosecute ITT and other companies who harass and take reprisals against employees who attempt to use the act to improve safety in their work places?

Hon. Mr. Ramsay: With respect, I do not agree with the broad statement made by the honourable member about the responsibility of the industrial sector. Certainly there are isolated cases of irresponsibility, and those are the ones we try to deal with. I will certainly be more than happy and anxious to look into the matter he has brought to my attention.

VISITOR

Mr. Conway: Before I put my question, Mr. Speaker, I am sure all members of the Legislature will want to join with me in welcoming the very distinguished former member for Simcoe Centre, Mr. Arthur Evans, who appears very hale and hearty, in the government members' gallery.

CONTRACT TENDERS

Mr. Conway: Mr. Speaker, my question is to the Chairman of the Management Board of Cabinet. It concerns the contracts entered into by the Ministry of Industry and Trade and Donald R. Martyn and Associates in the amount of \$153,000 for the setting up and opening of the various technology centres in Ontario.

In today's London Free Press, the former Minister of Industry and Trade, the now Provincial Secretary for Justice (Mr. Walker), is quoted as saying that written contracts do exist for that amount of money, in excess of \$153,000. But, to quote the provincial secretary, these are not contracts drawn up by lawyers; rather, they are—quoting him directly—“letters of understanding.”

Mr. Speaker: Question, please.

Mr. Conway: Can the Chairman of Management Board indicate to this House whether these letters of understanding, which exist between the Ministry of Industry and Trade and Donald R. Martyn and Associates and which led to the expenditure of \$153,000 on an untendered basis, are letters of contract for purposes of the Ontario Manual of Administration?

Hon. Mr. McCague: Mr. Speaker, we have been through this issue several times. As the honourable member knows, and I am sure his memory is better than it would appear to be from his question, I have not seen anything that is a contract or a letter of intent—or whatever kind of witchhunt he is on—at Management Board. He knows that, and I hope he will remember it.

Mr. Conway: In view of the fact that the public Treasury has been drawn down in excess of \$153,000 by this particular untendered contract to the friend of the Provincial Secretary for Justice, in an apparent flagrant violation of the Manual of Administration, which is much touted by the Premier (Mr. Davis) as being among the most thorough and comprehensive anywhere in the Dominion of Canada—

Mr. Speaker: Question, please.

Mr. Conway: —can the minister indicate whether those letters of understanding meet any of the rules of the Management Board and, in particular, the Manual of Administration?

Furthermore, given that the Provincial Secretary for Justice is also quoted in today's London Free Press as saying that this is not an uncommon situation, can the Chairman of Management Board indicate just how widespread is the

practice of spending hundreds of thousands of dollars of public moneys on an untendered basis on the foundation of letters of understanding? This is something that can be found nowhere in this so-called most comprehensive Manual of Administration.

Hon. Mr. McCague: The member is out looking for a little material for a certain event that is happening right now in a certain part of the province. I would have excused him if he could not have remembered what happened two weeks ago. However, he does not even remember what I said to him two minutes ago. I have not seen those, whatever they are.

Mr. Speaker: Final supplementary; the member for Etobicoke.

Mr. Conway: Who can indicate whether these letters of understanding are legal procedure?

Mr. Speaker: Order. Will the member for Renfrew North please resume his seat?

Mr. Conway: Who can indicate on behalf of the government of Ontario that—

Mr. Speaker: Order. The member will please resume his seat. The member for Etobicoke.

Mr. Philip: Mr. Speaker, if the minister feels that the opposition is on a witchhunt then obviously he also feels that the Provincial Auditor is on a witchhunt.

In the light of the nonanswers that the minister gave to us in this House a few weeks ago, has he analysed the response of the Provincial Auditor which clearly condemned the minister for his abdication of responsibility and said that he, as the minister, and not just the Provincial Auditor, had a responsibility for looking at these contracts and finding out whether there was a violation of the Manual of Administration?

Hon. Mr. McCague: Mr. Speaker, no, I did not read anything in any report which indicated that.

EXTRA BILLING

Mr. Cooke: Mr. Speaker, I have a question of the acting Minister of Health. First, I would like to report to him on another opting-out case. A Mr. Spencer in my home riding in Windsor was charged \$232.70 in extra bills by an orthopaedic surgeon in Windsor.

Time after time the minister has said that people can get opted-in rates from opted-out doctors in areas where 50 per cent or more of the specialists are opted out. In the case I raised a couple of weeks ago, 100 per cent of those specialists in Guelph were opted out. Will the

minister indicate how people can get opted-in rates from opted-out doctors when large numbers of specialists are opted out, in this case 50 per cent of the orthopaedic surgeons, and in the case in Guelph where 100 per cent are opted out? How can they get the service at opted-in rates?

Hon. Mr. Wells: Mr. Speaker, as my friend the member for Windsor-Riverside knows, the doctor to whom the person is going must indicate that he is opted out and is going to charge above the Ontario health insurance plan fee schedule. At this point, if the patient indicates he would like someone who is opted in, the doctor may have some suggestions to make in that regard.

Philosophically my friends differ with me on this, but at times doctors will indicate they are willing to perform the service for the OHIP fee schedule. At that time, that problem has been solved for that patient. Certainly in my view it has.

2:40 p.m.

If that is not satisfactory, there is a telephone number and a service provided by the Ontario Medical Association which will attempt to get an opted-in doctor for that patient. That will be done and that doctor's nurse may even provide that service for the patient. While it may present a bit of a difficulty at the time to contact a few other doctors, it is possible for a person to get that service and have it provided at the OHIP fee schedule.

Mr. Cooke: Mr. Speaker, is the minister saying that the two alternatives are either spilling out one's financial difficulties to the doctor and asking for charity medicine where 100 per cent of the specialty is opted out in that region; or if it is not 100 per cent but 50 per cent, as it is in this case with the orthopaedic surgeons, is he saying that all of the patients who want services at opted-in rates have to wait in line for the few specialists who are opted in and therefore wait longer than those people who are wealthy enough to pay the extra bills? Does the minister not understand that is the two-class medical system we in this party oppose and have been complaining about?

Hon. Mr. Wells: Mr. Speaker, no, I do not accept the fact it is a two-class medical system. I suggest to my friend he has not looked at the alternatives. The alternative, for instance, of trying to force every doctor to opt into this system; the alternatives for this province to the very fine and excellent health care and medical

system that has been developed, the kind of system that allows us to attract doctors here of great competence in certain specialities. There are a multitude of ramifications to this and the member takes a very simplistic approach to it which lacks a depth of knowledge of the health system.

Ms. Copps: Mr. Speaker, with respect, the acting minister is taking a somewhat simplistic view of how deep and serious the problem is across the province.

Mr. Speaker: Question, please.

Ms. Copps: Bringing to the attention of the minister a case similar to the one raised by the member for Windsor-Riverside (Mr. Cooke), I would like to ask the minister to investigate a case of a 57-year-old unemployed woman, whose husband is retired and on a disability pension and who was required to have a bone transplant performed on her hand. It was billed to her at a cost of \$609. She received \$357 from OHIP. This woman was not informed of the cost of the procedure, nor was she asked if she could afford to pay.

This woman, like many others across the province, is embarrassed to ask those kinds of questions and to reveal her desperate personal situation to orthopaedic surgeons and others. Does the minister not believe it is time for a study across the province to find out how many people who are paying opted-out rates are in a situation similar to this woman, who is in very dire financial circumstances and who was forced to pay an opted-out rate for surgery which was very critical to her?

Hon. Mr. Wells: Mr. Speaker, if my friend would give me the name and details, I will look into it. If that patient was not informed beforehand it is a violation and she is not bound to pay. When she gets the OHIP cheque, she should sign it, send it back, call the Ontario Medical Association, give the details and that is it. I want to emphasize that we have enacted regulations which make it mandatory that the patient be informed. If one is not so informed, there is no reason why that person should pay. He or she should not pay.

The college takes a very dim view and has alerted doctors by letter that this business of trying to inform patients two minutes before they go into an operating room is not acceptable. That has been done.

My friends over there fail to grasp what the real problem is in this province and what the real problem is in medicare in Canada. Instead

of worrying about specific cases, which I maintain can be handled by the mechanisms set up by this government, by the Ontario Medical Association and by the college, we can guarantee universality and acceptability. The real problem in this country is the fact that the federal government is reducing funding for the health care system.

THUNDER BAY CRIME

Mr. Hennessy: Mr. Speaker, I direct my question to the Minister of Correctional Services. Recently a tragic and brutal crime occurred in my riding. A 15-year-old girl, Corine Carlson, was murdered and her body mutilated when she was attacked while walking home from school. The 19-year-old youth who committed the crime was at the time of the attack on probation for one of many previous sexual criminal offences.

Needless to say, this crime has been the cause of considerable concern in my riding and in the city of Thunder Bay. On behalf of those concerned people I would like to present to the minister their concerns. Is the minister aware of this situation? Will he be responding to the concerns that many groups and individuals in the Thunder Bay area have expressed about this tragic incident? About 1,700 or 1,800 people have signed a petition, which the minister has now.

Hon. Mr. Leluk: Yes, Mr. Speaker, I am aware of the unfortunate and tragic incident that has been brought forward in the House today by the member for Fort William. Although I have not been directly contacted in this regard, our director of probation and parole services has received numerous letters and is presently responding to those letters individually.

I would like to point out to the honourable member that as a minister of the crown I am concerned with the issue of public safety and, within the boundaries established by law and by the courts, the programs within my ministry have this focus as well as the rehabilitation of offenders.

Mr. Hennessy: In the light of this horrible crime, will the Ministry of Correctional Services be reviewing the conditions and procedures of the probation and parole system in Ontario with the aim of minimizing the possibility of such a crime happening again?

Hon. Mr. Leluk: It should be pointed out to the member that the level of intensity of supervision of probationers is determined largely by the conditions that the judge has seen fit to

include in the probation order. In the supervision of probationers my staff have used various methods, which include face-to-face interviews, telephone contacts and contacts with other significant people in the offender's life, such as parents, the employer or school authorities.

In this particular instance there was contact with the offender. It occurred on a regular basis, at which time he appeared to the officer to be rational and coherent and gave no indication of any serious problems. In addition, his mother was contacted three times during the period between April and June.

It should also be pointed out that the law regarding probation as a sentencing option is contained in the Criminal Code of Canada and is therefore under the jurisdiction of the government of Canada and the federal Parliament. However, the operation of the probation and parole services is part of my ministry and we believe a high level of service is currently being provided.

I want to assure the member for Fort William that we have also been vigilant over the years to adopt changes that improve our service. He may, however, wish to direct the petition from the Thunder Bay council to my colleague the Attorney General (Mr. McMurtry).

2:50 p.m.

SUPPLEMENTARY INCOME FOR THE AGED

Mr. Wrye: Mr. Speaker, my question is to the Minister of Community and Social Services. I know the minister will recall the select committee report on pensions, which was tabled in this House in March 1982, and he will recall that it endorsed the following principle: that the government of Ontario should adopt and implement in all programs the principle that single pensioners aged 65 and over need not less than 60 per cent of the income required by a married couple.

The minister is also aware of the fact that in October of this year a single elderly person's income was only 52 per cent of that of a married couple, and that is down from 53.4 per cent in July 1980. Can the minister tell the House when he intends to bring forward measures to increase the guaranteed annual income system for the aged supplement to an amount equal to at least 60 per cent of an elderly couple's income?

Hon. Mr. Drea: Mr. Speaker, with all due deference, what I think or what I want to do are immaterial. That is not within my jurisdiction. I told the member's leader that a couple of weeks

ago. Those payments having nothing whatever to do with the Minister of Community and Social Services. I do not set the amount; I do not do anything.

Mr. R. F. Johnston: That is true, absolutely true.

Mr. Wrye: I will certainly agree with the minister that he does not do much. The fact of the matter is—

Mr. Speaker: Order.

Mr. Wrye: I have a supplementary and then the minister can play his jurisdictional games all over again.

The fact of the matter is that the Ontario Status of Women Council for one has reported that, of all unmarried women, close to one half of those over 65 and two thirds of those over 75 are below the poverty line. If the minister can escape from his jurisdictional games long enough, perhaps he can indicate to us how much more evidence his government needs before it recognizes the plight of these elderly people and sits down with the federal government and works out some kind of program? The Gains program comes under his ministry.

Hon. Mr. Drea: It does not. The Gains-A program is not a responsibility of the Ministry of Community and Social Services. The rules of this House are very clear. A minister can answer only within his own jurisdiction.

Why we have a member who has appointed himself the critic who does not even know which minister is responsible for which program I know not. He has no excuse because, in fairness, his honourable leader asked me—I do not expect the leaders to know—the identical question some time ago. I guess the member does not pay any attention to him.

Mr. McClellan: Mr. Speaker, with the minister's indulgence, I will redirect a supplementary question to the Treasurer, who does have the responsibility.

Mr. Speaker: Only the minister can redirect.

Hon. Mr. Drea: Mr. Speaker, in fairness, it is not the Treasurer.

Mr. McClellan: He is the one who makes the decision. The Treasurer is the one who is sitting on it. We all know who makes the decision.

Mr. Speaker: Order. We would all like to hear the next question.

CHILD RESTRAINTS

Mr. Samis: Mr. Speaker, I have a question to the Minister of Revenue. Can the minister

inform the House if it is the intention of his ministry to reimpose the provincial sales tax on child restraints come January 1, or does he intend to exempt them from here on in?

Hon. Mr. Gregory: Mr. Speaker, I should tell the honourable member that matter does not come under my jurisdiction.

Mr. Samis: Would the minister redirect that to the Treasurer then?

Hon. Mr. Gregory: Yes.

Hon. Mr. Grossman: Mr. Speaker, no.

Mr. Samis: I am sorry. Did the Treasurer say no, he would not reimpose—

Interjections.

Mr. Speaker: Order.

Hon. Mr. Grossman: Yes. No.

Mr. Speaker: The minister answered no. Was that your supplementary? New question, the member for Lanark.

PAYMENT FOR PRODUCE GROWERS

Mr. Wiseman: Mr. Speaker, I have a question for the Minister of Agriculture and Food. Some months ago, a program was introduced to help the apple producers in eastern Ontario who had damage done by frost, snow and so on over the last two winters. I understand quite a few applications have been received by the ministry, but many of the people in Lanark and throughout eastern Ontario have not received any funds yet. Can the minister tell us when those funds might be available?

Hon. Mr. Timbrell: Mr. Speaker, the program to which the honourable member refers is, in many respects, a joint federal-provincial program.

Interjections.

Hon. Mr. Timbrell: Why does it surprise members opposite that we can work together with the federal government? We do it on many things, whether it is red meat stabilization or crop insurance. We would like to work together with them on agribonds and any number of things. I do not why that would surprise the members opposite. I just wish the federal people would react sooner to the proposals we make to them.

At any rate, on this particular program, to deal with the replacement of apple trees in eastern Ontario that have died as a result of winter kill, we do have 36 applications to date. Because it is tied into the federal program, we have based it on the field inspections which the federal government has been carrying out. It

was by mutual agreement that we would not duplicate one another's field inspections.

We have apparently, just in the last week or two, received those field inspections. So once these applications have been matched up with the field inspections, in other words, verified, then we can process the applications fairly quickly.

Mr. Wiseman: Since it is a joint venture between the federal and provincial governments, will the minister use his office to push the federal government to make sure that these payments are made as soon as possible?

Hon. Mr. Timbrell: Just to clarify it, the payments are to be made by us with respect to the payments for the tree stock. As I have said, we have only just received the federal field inspection report in the last week or 10 days. I would think the first of the cheques should go out some time this week or early next week from the provincial government, based on those field inspection reports.

Mr. Swart: Mr. Speaker, what is the delay? These trees were killed two or three years ago. Will the government pay interest to these farmers in the amount it is paying them, as in the case of Re-Mor?

Hon. Mr. Timbrell: Mr. Speaker, the honourable member may not be aware of the program. The program that the provincial government has provided is to pay for the replacement trees. The federal program has a certain grant—I am not sure if it is per tree or per acre; I guess it is per tree—over a three-year period to assist them, so I think the member's question should more properly be placed in the House of Commons. Our program is simply to pay for the tree stock.

CONSERVATION AREA DIKES

Mr. McGuigan: Mr. Speaker, I have a question for the Minister of Agriculture and Food.

There is an agreement between the government of Canada and Ontario, signed on March 20, 1974, by the Honourable Eugene Whelan, and on March 26, 1974, by the Honourable William A. Stewart, to share the cost to construct or reconstruct dikes to protect agricultural land from flooding in the counties of Essex and Kent and the regional municipality of Niagara, as authorized by the Lieutenant Governor in Council on November 14, 1973.

Can the minister tell us why his ministry has failed to live up to its agreed-to funding agreement with the Lower Thames Valley Conserva-

tion Authority for maintenance of the dikes constructed under this program, which was part of the agricultural and rural development agreement?

Hon. Mr. Timbrell: Mr. Speaker, I am not aware that we have failed to live up to our agreements. Normally, once we have committed ourselves to something, we live up to it. If the honourable member would like to send me some information about how he feels that we have in some way not done what we said we would do, I would be happy to look into it. If he is correct, we will rectify it, but to the best of my knowledge we have lived up to those agreements.

3 p.m.

Mr. McGuigan: I can help the minister out by this supplementary. It appears that it has been abrogated. According to an August 20, 1980, letter signed by Norm Watson, addressed to the Lower Thames Valley Conservation Authority, it is stated: "I am pleased to confirm that authority under order in council 2344/80 has been received by the Ontario Ministry of Agriculture and Food to provide assistance to the conservation authority for the establishment of easements and the maintenance of the diking works. The funding for the current year, 1980-81, is \$110,000."

The first bill has been submitted for \$33,000 and has been turned down. I would certainly appreciate the minister looking into this.

Hon. Mr. Timbrell: Mr. Speaker, I would be happy to look into it. The honourable member in the prelude to his question said, "it appears." Oftentimes when I look into matters like this, it is a matter of a difference of interpretation or understanding. If he would send the material over to me or send it to my office, I will be happy to look into it and get him an answer as quickly as I can.

SHOTGUNS IN THE WORK PLACE

Mr. Foulds: Mr. Speaker, I have a question for the Minister of Labour about the use of shotguns in the work place. Is the minister aware of the use of eight-gauge industrial shotguns in pulp and paper mills in the province for shooting lime buildups from lime kilns in the kraft process? Can he explain why there are absolutely no regulations in the Occupational Health and Safety Act governing the use of such firearms in the industrial work place?

Hon. Mr. Ramsay: Mr. Speaker, the question comes as a complete surprise to me.

Mr. Foulds: If it comes as a complete surprise to the minister, can he investigate the use of these shotguns in the pulp and paper mills of the province? In particular, will he investigate the use of them at the kraft mills, the Great Lakes Forest Products mill in Thunder Bay and the Domtar mill at Red Rock? Will he ensure that there are proper procedures, proper training programs for the operators, proper safety devices for the guns, proper disposal of the misfired cartridges and proper storage of the shells and the guns themselves?

Hon. Mr. Ramsay: I will be pleased and, in fact, rather interested to look into this matter.

THUNDER BAY CRIME

Mr. Kennedy: Mr. Speaker, my question is further to one asked by my colleague the member for Fort William (Mr. Hennessy). Would the Minister of Correctional Services clarify whether the convicted individual referred to was released as the result of a parole board order or in response to the sentence handed out to him by the court?

Hon. Mr. Leluk: Mr. Speaker, the offender had been sentenced to a period of incarceration as well as a period on probation. He had satisfied his sentence, and there was no further authority for the Ministry of Correctional Services to detain him. He was out in the community lawfully and serving a period of 12 months' probation. Yes, it was the decision of the court.

EDUCATIONAL FUNDING

Mr. Van Horne: Mr. Speaker, I have a question to the Minister of Education. Given the way things are going today, if she does not feel like answering, perhaps she would redirect it to the Treasurer (Mr. Grossman).

Given her government's determination to pursue restraint, as witnessed by the Treasurer's statement of November 8, would she confirm or deny the rumour that is currently making the rounds of school board administrators that the general legislative grants for education will be pegged at a 3.7 per cent increase per pupil over last year's grants, with a remaining 1.3 per cent of the allowable five per cent going to superannuation payments?

At the same time, could she confirm or deny the other popular rumour among the school administrators of this province that the government intends to offer some kind of incentive to municipalities to keep their mill rates, as they relate to education requirements, down to five

per cent? Is the government going to offer them an incentive as it did last year?

Hon. Miss Stephenson: Mr. Speaker, I never cease to be amazed at the fecundity of the minds of the minds of school administrators.

Mr. Conway: Fecundity?

Hon. Miss Stephenson: Fecundity. Do you know that word?

Interjections.

Hon. Miss Stephenson: Thank you. I might have known.

There is no truth to either rumour.

Mr. Van Horne: Given that these rumours are flying around and given the need for school administrators to plan for their needs and activities next year, could the minister give us some indication as to when she is going to let them know the conditions for the legislative grants to the municipalities for this coming year?

Hon. Miss Stephenson: As soon as the information is made available to all of us within cabinet, there is a general announcement about the grant which the school boards receive and then use their sharp pencils to divide. The regulations under the general legislative grant usually require an additional six weeks for full development and for sharing.

FAMILY VIOLENCE

Mr. Speaker: The member for Beaches-Woodbine with a new question.

Ms. Bryden: Mr. Speaker, I have a question for the Minister of Community and Social Services.

Some hon. members: It's post time.

Mr. Robinson: Behind the post.

Mr. Ruston: That is behind the post.

Ms. Bryden: Yesterday representatives of the Ontario Association of Interval and Transition Houses from all across the province were calling on members. I understand the minister did not give them an appointment. Whether he was hiding in his office, I do not know.

Therefore, I would like to ask him the question the representatives were asking all members and which relates to one of the key recommendations of the social development committee in its report on wife battering. In view of the wide variation in services for battered women and children that municipalities are prepared to cost share, will the minister accept the recommendation of the committee for special legislation dealing exclusively with

wife battering and family violence, which would include legislated standards that must be met by all shelters or transition houses in order to ensure quality care for the victims of battering and also a guarantee of funding for the provision of such services?

Hon. Mr. Drea: Mr. Speaker, first, if I can correct the member, who as usual is a little bit off, I had a most engaging conversation and I met for quite some time yesterday with Madame Pelletier, who is the community leader responsible for putting in the new organization in Kapuskasing.

I would like to make it very plain, with some of the raucous remarks about post time, I do not associate the member for Beaches-Woodbine with post time. The answer to her is no.

RAPE TRIAL DECISION

Mr. Roy: On a point of privilege, Mr. Speaker: When the question period started today, we were advised by the Provincial Secretary for Justice (Mr. Walker) that the Attorney General (Mr. McMurtry) would be here to make a statement about this very important case in Ottawa. We were misled by the minister because the question period is over and the Attorney General is not here. We do not have our statement.

Mr. Speaker: As I said earlier, it is not my responsibility to ensure attendance.

Mr. Roy: You should ensure something.

Mr. Speaker: Just one moment. I did hear somebody on this side saying he was on the list to be here. I am sure this is what the minister was—

An hon. member: He used the term "misled."

Mr. Speaker: Yes. He is going to withdraw that because he was not aware he used that word.

Interjections.

Mr. Speaker: You accused somebody of misleading this chamber. I would ask you to withdraw that.

Mr. Roy: The Provincial Secretary for Justice told us that the Attorney General would be here and he is not. I would have thought that was misleading. I thought he misled us. However, if you say the word is unparliamentary—and, of course, I do not want to say anything which is unparliamentary—then what do you call a minister who tells us one thing and another thing happens? Is this "confusing"?

If it is unparliamentary, I will withdraw it.

However, I still think the minister should not get up and make statements in the House which he cannot back up and which are not statements of fact. The Attorney General is not here to make a statement and the question period is over.

3:10 p.m.

Mr. Speaker: Not only was it unparliamentary, it was unacceptable.

Mr. Wildman: On a point of privilege, Mr. Speaker: I rise to correct the record. While I appreciate the comments that were made in my absence yesterday by the Minister of Natural Resources (Mr. Pope) and his quoting of my letter to him of February 28 in support of the trapping industry in northern Ontario and in this country—and I appreciate his taking my words to heart—I should point out that it is a little unfair for the minister to quote those words out of context and to give the impression that in some way I was disagreeing with the bill presented by my colleague the member for Etobicoke (Mr. Philip).

Mr. Speaker: That is not a point of privilege. The Minister of Natural Resources on a point of privilege.

Mr. Martel: He deliberately misled the House.

Hon. Mr. Pope: The members of the opposition cannot have it both ways.

Mr. Martel: Don't come around here and mislead us.

Mr. Speaker: Order. Point of privilege, the honourable member for Beaches-Woodbine.

Ms. Bryden: On a point of privilege, Mr. Speaker: I would like to correct the record and state to the Minister of Community and Social Services (Mr. Drea) that when I said he was not available for an appointment, he was not available in the period between 10 a.m. and 1 p.m. when the group had indicated that—

Mr. Speaker: Order. That is not a point of privilege with all respect. Order, please.

PETITIONS

ABORTION CLINICS

Mr. Sweeney: Mr. Speaker, my petition is addressed to the honourable Lieutenant Governor of Ontario and the Ontario Legislature. I wish to present a petition from my constituents and many of my colleagues' constituents who believe that abortion clinics are the first step towards even more relaxed abortion laws.

"We petition the Lieutenant Governor and the Legislature of Ontario to strike a committee

to determine what it can do to protect unborn children and then to take steps to follow these directions.

"We further petition the government of Ontario to continue to uphold the law against abortion clinics, while doing all in their power to promote those groups which offer alternatives to abortion."

Mr. Speaker, I have been asked to append to this 48,000 signatures. I would suspect that is probably the largest petition ever presented to this Legislature.

COURT DECISION

Mr. Boudria: Mr. Speaker, I have a petition to the Lieutenant Governor in Council and the Legislative Assembly of Ontario.

"We, the undersigned citizens of Ontario, petition the government, asking the Attorney General to appeal the decision of Judge Galligan of the superior court in the Verdon case.

"The decision of the honourable judge was, in our opinion, not severe enough. Two years for the crime that was committed hardly seems adequate. We are not seeking vengeance, but we would like to think that our communities are safe for our children and everybody else. However, this criminal, after being found guilty, got away with two years because the judge took his 15 months' waiting period into consideration. He spent that time in a halfway house, during which time he was suspected of having committed other crimes.

"As we mentioned before, we are not after revenge; we are asking for a reconsideration of the present verdict and justice. Is it too much to ask for?"

This is signed by 2,965 people of the Ottawa area and was sent to me by the parents of the late Jason Verdon.

INTRODUCTION OF BILLS

POWERS OF ATTORNEY AMENDMENT ACT

Hon. Mr. Elgie moved, on behalf of Hon. Mr. McMurtry, seconded by Hon. Mr. Gregory, first reading of Bill 132, An Act to amend the Powers of Attorney Act.

Motion agreed to.

Hon. Mr. Elgie: Mr. Speaker, I have a companion bill and I would prefer to make a statement at the end of it, if I may.

MENTAL HEALTH AMENDMENT ACT

Hon. Mr. Elgie moved, on behalf of Hon. Mr. McMurtry, seconded by Hon. Mr. Gregory, first

reading of Bill 133, An Act to amend the Mental Health Act.

Motion agreed to.

Hon. Mr. Elgie: Mr. Speaker, the Attorney General was unfortunately called away on an urgent family problem. I would like to make the following statement on his behalf.

In 1979 the Legislature enacted a new Powers of Attorney Act which, for the first time, permitted a person to give a power of attorney that would survive mental incapacity. The amendments I am introducing today respond to a legal problem that has been encountered under the Powers of Attorney Act by a number of families in Ontario, in which a family member is suffering from Alzheimer's disease or some other disease in which mental capacity gradually diminishes.

The current legislation provides that where a person who has been hospitalized in a psychiatric facility is certified by a physician to be incapable of managing his or her affairs, the public trustee automatically by statute becomes responsible for management of the patient's estate and any power of attorney is terminated. Where the hospitalized person had previously given an enduring power of attorney, he or she may have intended that it was precisely in these circumstances that a trusted family member would be able to manage his or her affairs. Our current law operates to defeat this intention.

The amendments I am introducing today will allow the donor of a power of attorney, in addition to stating expressly that the power will survive legal incapacity, to provide that, in case he or she is hospitalized, the attorney may continue to manage the donor's estate and the public trustee shall not assume management. I have had the full co-operation and assistance of the public trustee and representatives of the Alzheimer society in developing these amendments.

The bill amending the Mental Health Act is complementary to the Powers of Attorney Amendment Act. In addition, this bill recognizes the need to provide safeguards for those rare cases where an attorney under a power of attorney acts fraudulently or negligently. The public trustee will be able to apply to a court to have his powers restored where there is evidence of wrongdoing.

CITY OF NORTH YORK ACT

Mr. Williams moved, seconded by Mr. Lane,

first reading of Bill Pr51, An Act respecting the City of North York.

Motion agreed to.

3:20 p.m.

TECO MINES AND OILS LIMITED ACT

Mr. Cureatz moved, seconded by Mr. Williams, first reading of Bill Pr52, An Act to revive Teco Mines and Oils Limited.

Motion agreed to.

OTTAWA CIVIC HOSPITAL ACT

Mr. Roy moved, seconded by Mr. Sweeney, first reading of Bill Pr43, An Act respecting the Ottawa Civic Hospital.

Motion agreed to.

BROCKVILLE ROWING CLUB INC. ACT

Mr. Runciman moved, seconded by Mr. Eves, first reading of Bill Pr46, An Act respecting the Brockville Rowing Club Inc.

Motion agreed to.

ANSWERS TO QUESTIONS IN ORDERS AND NOTICES AND RESPONSE TO PETITION

Hon. Mr. Wells: Mr. Speaker, before the orders of the day, I would like to table the answers to questions 336, 339, 340, 345, 348, 349, 350, 351, 352, 353, 356, 357 and 359; an addendum to the answer to question 355, which was tabled on November 21, 1983; and a response to a petition presented to the House, sessional paper 205 standing on the notice paper [see Hansard for Friday, December 2].

BUSINESS OF THE HOUSE

Hon. Mr. Wells: Mr. Speaker, it was the wish of the House last night in committee of supply to conclude the estimates of the Ministry of Treasury and Economics. However, one item was not put to the House and reported back. I am going to suggest that while it does not show on the order paper today, we go to the 51st order first to clean up that order of business.

ORDERS OF THE DAY

House in committee of supply.

SUPPLEMENTARY ESTIMATES, MINISTRY OF TREASURY AND ECONOMICS

On vote 904, economic policy program; item 3, industrial leadership and development fund:

The Acting Chairman (Mr. Edighoffer): Shall vote 904 carry?

Vote 904 agreed to.

On motion by Hon. Mr. Wells, the committee of supply reported a certain resolution.

THIRD READINGS

The following bills were given third reading on motion:

Bill 68, An Act to amend the Employment Standards Act.

Bill 90, An Act to amend the Assessment Act.

Bill 92, An Act to amend the Health Disciplines Act;

Bill 106, An Act to amend the District Municipality of Muskoka Act;

Bill 107, An Act to amend the County of Oxford Act;

Bill 97, An Act respecting Central Trust Company and Crown Trust Company.

CITY OF TORONTO ACT

Mr. Gillies moved, on behalf of Mr. Shymko, second reading of Bill Pr12, An Act respecting the City of Toronto.

Motion agreed to.

Third reading also agreed to on motion.

SILVERSTONE OIL COMPANY LIMITED ACT

Mr. Gillies moved, on behalf of Mr. Hodgson, second reading of Bill Pr22, An Act to revive Silverstone Oil Company Limited.

Motion agreed to.

Third reading also agreed to on motion.

SMYTH TOWN PLOT LAND ACT

Mr. Gillies moved, on behalf of Mr. Havrot, second reading of Bill Pr33, An Act respecting Certain Land in the Town Plot of Smyth, in the District of Nipissing.

Motion agreed to.

Third reading also agreed to on motion.

3:30 p.m.

EASTERN PENTECOSTAL BIBLE COLLEGE ACT

Mr. Gillies moved, on behalf of Mr. Pollock, second reading of Bill Pr34, An Act respecting Eastern Pentecostal Bible College.

Motion agreed to.

Third reading also agreed to on motion.

MASSEY HALL AND ROY THOMSON HALL ACT

Mrs. Scrivener moved second reading of Bill Pr44, An Act respecting The Corporation of Massey Hall and Roy Thomson Hall.

Mr. Cassidy: Mr. Speaker, since it is second reading, perhaps I could say a word or two about the bill. I believe that is in order at this time.

I have no particular comments on the technicalities of the bill with respect to the way in which it establishes the corporation to run the new Massey Hall. However, at the time the hall was completed I think a great number of people did have concerns over the decision by the governors of Massey Hall to choose the name of Roy Thomson to grace the hall.

I gather that after a great deal of research it has been discovered that Mr. Thomson was a devotee of the bagpipes and that this was his one known element of musical pleasure and participation. Frankly, while the new Massey Hall is a magnificent structure, a magnificent place and something of which we can be proud as people of Ontario and as people of Toronto, it still sticks in my craw that, in return for a donation of about a 10th of the total cost of the hall, it should be named after a man whose contributions were as a capitalist, whose ventures with respect to any type of social utility were in large measure in the United Kingdom rather than in this country and who in this country has been noted for running his newspaper empire on the basis of a slide rule and a calculator rather than with any sense of social contribution to the communities in which his newspapers are located.

I also noted at the time that the technicalities of the way the donation was made, which I believe was \$1 million per year over four or five years, meant that the donation of the Thomson family, while significant, was not as much of a cash outlay as one might have been led to think. The sum of \$5 million over five years translates into perhaps \$3 million or \$3.5 million in present values at the interest rates that prevailed when the donation was announced.

In addition to that, half the value of the donation, since it is to a charitable donation, will come by means of a tax exemption and therefore is being made by the people of this province or by the people of Canada. The people of this city have made an ongoing contribution to the new Massey Hall by means of the exemption from the municipal property tax on the premises. We all make a contribution

by means of the charitable exemptions that are given.

A great amount of money for the new Massey Hall came from the people of Ontario, and the question then is, would there have been a more suitable name that the people of this province might have urged on the trustees than Roy Thomson Hall in view of the fact that most of the money did come from taxpayers and not from the Thomson family?

I am struck by the suggestion that we might have honoured Glenn Gould—and we might now honour him—as the pre-eminent pianist of our generation in Canada, as a man whose interpretations of Bach, preserved on record, will go down as the definitive recording of Bach for many years to come, and that to have called the new Massey Hall Glenn Gould Hall in honour of that distinguished Canadian pianist might have been more appropriate.

I have heard suggestions that we might have honoured Sir Ernest MacMillan, whom I recall from my boyhood days when he used to conduct the Toronto Symphony Orchestra and when I used to deliver the *Globe and Mail* to him on Rosedale Valley Road.

Mr. Nixon: He didn't leave \$9 million to the hall.

Mr. Speaker: Never mind the interjections.

Mr. Cassidy: I do not think the giving of money is the only thing that should be counted; or if it is money, and if you want to measure these things on the cash register nexus only—and regrettably in Canada that was too often the watchword of Mr. Thomson—then the contribution of the people of this province and of this country perhaps should have been recognized first, as it was the pre-eminent contribution, a much larger contribution than that made by the Thomson family.

I have heard it suggested that in return for its contribution—which again, whatever the motive, I acknowledge is substantial—the Thomson family might have had one of the practice halls, meeting halls or subareas within the new Massey Hall named in its honour. That is a possibility.

I would have thought that when this matter was considered in the standing committee on regulations and other statutory instruments, when the government was considering just what was happening, there would have been a bit more sensitivity to the contribution of ordinary people and perhaps to all those people who have devoted such time, effort and talent and often made such sacrifices in financial terms to the

perpetuation and continuation of music in this city and province.

I am not going to move an amendment—I suspect the rules would not permit it—but I thought those comments should go on the record. Possibly one could seek to influence the trustees of Roy Thomson Hall or the new Massey Hall, suggesting to them that having made their acknowledgement of the gift, an acknowledgement of some of the pre-eminent, towering musical talent we have generated in Toronto and Ontario might be, even now, a more appropriate way to name the new Massey Hall.

Hon. Mr. Wells: Mr. Speaker, I was not intending to speak on this bill. Since my friend the member for Ottawa Centre (Mr. Cassidy) has made some remarks, I want to dissociate myself from those remarks. I do not want it misconstrued that some of us in this House might have agreed with those remarks. I feel I should say a few words about this bill.

I think it is unfortunate that there was a controversy over the naming of the new hall. It is a magnificent hall and a great addition to the city of Toronto, Metropolitan Toronto and the whole of Ontario. I would suggest that at the time Massey Hall was named, my friend might even have raised the same spectre of controversy over the naming of that hall—

Mr. Cassidy: On a point of order, Mr. Speaker: If the Thomson family had paid for all of the hall, as the Massey family did in the case of Massey Hall, it would have been a different situation.

Mr. Speaker: Order.

Hon. Mr. Wells: In any event, the member did mention something about the person after whom the hall was named being a capitalist and a free enterpriser, which I am sure the Masseys were also.

The point is, the trustees of the concert hall were the ones who had to pick the name. They picked the name and we can agree or disagree now with it, but the fact is that they did pick a name. As a lifelong resident of Metropolitan Toronto and Toronto, I want to say I do not disagree with calling the new centre Roy Thomson Hall.

We are all sorry there was a bit of controversy. I do not downgrade anyone for having an opinion pro or con. We probably could not have picked any name that everyone would have agreed on. The fact is that Roy Thomson—

Mr. Cassidy: Would you have disagreed with naming it after Glenn Gould?

Mr. Speaker: Order.

Hon. Mr. Wells: Certainly I would have been happy if they had called it—

Mr. Martel: How many people did he shaft in getting that money?

Mr. Speaker: Never mind the interjections, please.

Hon. Mr. Wells: I would have been happy if they had called it the Glenn Gould Hall or any other name. The fact remains that Roy Thomson was a prominent citizen of Ontario, a man who at one time with hardly two cents in his pocket slugged his way across northern Ontario and built for himself the kind of fortune which he did, and which is now being used in many cultural ways and for the betterment of society here and in a number of parts of the world. I think the people of the Metropolitan Toronto area—

Mr. Martel: How many people did he put on to get that money?

3:40 p.m.

Hon. Mr. Wells: It was my privilege to have known Roy Thomson. One did not necessarily have to agree with all his ideas or his manner of operation, but the fact is that he was a very eminent and prominent citizen of Ontario and a person who showed what can be done under the great system we have in Canada and the free world. He was the kind of person who could pull himself up from nothing, build a fortune and then make a significant contribution to, and mark in, the United Kingdom.

Roy Thomson Hall has now become a landmark in this area. The name is accepted; everyone says, "I am going to a concert at Roy Thomson Hall." It is now accepted and I suggest to my friends that in a few years from now no one will remember the controversy about the hall. All that will be remembered is that Roy Thomson Hall is a great landmark in this city. Many Canadians, many lovers of musical culture and other events will be able to continue to enjoy that hall for a good number of years to come.

I just want to go on record as supporting the name that has been proposed by the trustees. We should not forget that we did not have the responsibility for naming this hall; it was the trustees who had that. In my riding, we name schools after prominent Canadians. The school board has the responsibility and whether I like

the names of the schools or not, I accept them. Some of the names that we see are interesting. We have Winston Churchill Collegiate, Sir John A. Macdonald Collegiate, Sir Wilfrid Laurier Collegiate, Dr. Norman Bethune Collegiate, Agnes Macphail Public School and J. S. Woodsworth Public School.

All of the people of the community in those areas were not necessarily happy with those names, but they accept them.

Mr. Kerrio: Mr. Speaker, many members of the Legislature had an opportunity to discuss and debate this bill at the committee level. Those of us who sat on the committee are very pleased to see the bill brought back here to the Legislature and come to fruition. However, there must be some response made to those people who would get involved again with the name of this hall.

Down through the centuries, over the years, there have been many people who in many different ways would support the arts, whether painting, music, literature or what have you. Many people have felt within themselves that they did not have the ability to pursue any of those wonderful ways of enlarging their way of life but that they had the ability to provide some of the resources to those talented people. I have to think that down over the years, in many areas, and because I am of Italian extraction I think in particular of the great artists of those times, unless they had been provided with the resources we today would not be able to avail ourselves of the wonderful involvements of those people.

In this instance, this gentleman, who has provided somewhat of a means for those people to share their talents with us, certainly should be acknowledged. We on this side of the House are very pleased to support the bill in its present form.

Motion agreed to.

Third reading also agreed to on motion.

RESIDENTIAL COMPLEXES FINANCING COSTS RESTRAINT AMENDMENT ACT

Hon. Mr. Elgie moved second reading of Bill 128, An Act to amend the Residential Complexes Financing Costs Restraint Act.

Hon. Mr. Elgie: Mr. Speaker, the bill which I introduced in the House last week will extend the sunset provision of the act for one year from December 31, 1983, to December 31, 1984. The bill will also make a complementary amendment of another date reference in that act.

As I told the House last week, it was my

intention to have the recommendations of Commissioner Stuart D. Thom before this amending legislation was brought forward. However, the study has proven to be more time consuming than anticipated and it has not yet been completed.

The bill I am now introducing for second reading will allow the thorough consideration of Commissioner Thom's report and will allow any further legislative changes which may be required in the spring session.

I believe it necessary for this government to take the precaution of extending the sunset date of the act for one year. This will provide a continuation of interim protection for tenants until such time as more permanent legislation is in place.

Mr. Boudria: On behalf of our party, I would like to express a few words on Bill 128, An Act to amend the Residential Complexes Financing Costs Restraint Act, 1982, or as we call it in layman's language, the pass-through bill. That is a little bit easier for me to say in any case.

Our party will be supporting the bill, as we have previously indicated to the minister. We recognize, given the time of the year, that we must do something to ensure we do not place tenants in the situation they found themselves in prior to the enactment of this law last year.

In so doing, we should remember the mandate which was placed on Stuart Thom, QC, last year when the minister gave the mandate to Mr. Thom. The Hansard of November 16, 1982, makes it clear to us that the minister indicated to the commissioner that he wished an early response to permit the use of section 33 of the Residential Tenancies Act. In other words, he wished Commissioner Thom would take it upon himself to ensure there was a speedy reply in that area of concern, mainly the rent registry portion of the Residential Tenancies Act.

As we know, that portion of the act has not been proclaimed because it is ultra vires the Constitution. Unfortunately, we have not yet been able to have a rent registry program in this province.

I know the minister is going to say, when he stands up very shortly, that we do not want to be after Mr. Thom every day telling him what to do. I recognize that. If we do that, we cease to have the impartiality which we have vested in him to come up with a very objective and nonpartisan type of approach to the whole problem of residential tenancies.

Notwithstanding that, I do want to express my disappointment, perhaps not directly to the minister but for the record, so when Commis-

sioner Thom reads the record it will assist him in bringing forward a speedier reply to these grave concerns which tenants have at the moment.

We all know Bill 128 is very necessary. Unfortunately, we must re-enact it for another year. I say "unfortunately," not because we are against the principle of the bill but in the sense that we find it unfortunate that the Commission of Inquiry into Residential Tenancies report—not just the rent registry portion but the second component of the report, which was to review the whole area of residential tenancies—is not yet before this Legislature.

Along with the minister and everyone else, I recognize that even if the report was tabled tomorrow, with the short time we have between now and the Christmas recess of the Legislature, it would not enable us to have a complete and thorough look at the report and extrapolate from it the necessary legislative changes we want. I do not think anybody would want us to rush into the necessary legislation because if we did that, we would surely miss something and we would not get the good legislative improvements all of us want.

3:50 p.m.

As an interim step, we unfortunately find ourselves in a position where it is necessary, in our view in the official opposition, to see an extension of one year to this bill. I hope, though, Commissioner Thom will be tabling both his reports, the report on residential tenancies in general and the report on the rent registry, very shortly, so that we can have a detailed study of his proposals.

If these reports are tabled in the Legislature before Christmas, I hope then we can perhaps spend some time during the winter months having a look at those documents and be ready in the spring to introduce the necessary legislative changes so that we will not find ourselves at the end of November or early December of next year re-enacting the same legislation for another year. I am sure I speak for all of us when I say we want this to come to an end sooner rather than later.

Last year when Bill 198 was passed, which was the same legislation we are discussing today, we had a number of amendments we wanted to propose to the legislation. While we will not be reintroducing all those amendments today, I want to assure the minister we do nevertheless want to reiterate that last year our party had a number of amendments to ensure that the rent increases were not any larger than they had to be, that we would have demolition control in

this province, which we unfortunately still do not have; that, generally speaking, the Residential Tenancies Act in its present state, with large portions of it not proclaimed or not enforceable at this time, is inadequate, and that we want the Residential Tenancies Act improved as soon as possible in order for us to better afford tenants the protection they very desperately need.

Those are our remarks, Mr. Speaker. We will be supporting the bill.

Mr. McClellan: Mr. Speaker, we in the New Democratic Party also intend to support Bill 128, An Act to amend the Residential Complexes Financing Costs Restraint Act, 1982. We do so for a number of reasons, principally having to do with the right of tenants to security of tenure and to protection against economic eviction.

First, let me say, before I make some comments about the context of this act, we appreciate the fact that the minister is bringing in this extension of the Residential Complexes Financing Costs Restraint Act now rather than, as we had feared he might do, as part of a small package of Thom commission reforms.

It may simply be paranoia, but I was concerned, and I use that word advisedly, that the minister would receive the Thom report some time in November and take one or two reforms from the Thom commission, attach them to this bill and put us into the kind of straitjacket of either having to vote against this or put through a series of watered-down reforms from the Thom commission.

I think it is very important that all of us in the Legislature as representatives of tenants, and indeed of the development industry, have an opportunity to review the full report of the Thom commission in an orderly and relatively rational way. That simply cannot be done if it is done in a hurried way to meet sunset law expiry deadlines.

So we look forward to the Thom commission report and an opportunity to discuss its recommendations. My guess is that—well, why guess? We will wait and see when we get the Thom report. We had expected it a month or so ago and I am beginning to wonder whether we will see it within three or four months. Perhaps December 31, 1984, will be upon us with the requirement of another extension before we have the full report of the Thom commission, parts 1 and 2. I do not think that is beyond the realm of speculation. At any rate, that is speculative.

Let me just go back a moment if I may get into the "I told you so" stage of the discussion. I do not want to prolong this, of course, because it is so annoying to my colleagues in the Liberal Party. We in the New Democratic Party had pointed out when we had the first rent control bill that the bill was seriously flawed by permitting the refinancing pass-through costs as legitimate rent increases. Simply for purposes of recollection, I remind members that we said in December 1975 that "for the purposes of this act increases in costs should be deemed to mean increases in maintenance, heating, supervision and utility costs."

We argued right from the outset that the kind of refinancing costs that represent simply squeezing out speculative profit from residential accommodation and passing the cost of that speculative profit on to the backs of tenants through increased rents was an illegitimate form of rent increase. If somebody wants to speculate on property and make a lot of bucks out of the escalation in the market value of somebody's home, which is exactly what we are talking about—we are not talking about normal commodities; we are talking about people's homes, places where people live—they have absolutely no right to expect the people who live in those homes to pay the freight. It is an absurd proposition, which we rejected in 1975 over the objections of the other two parties.

We repeated those objections, I think more clearly, in 1978 when we rewrote the legislation. We attached a minority report to the report of the committee that studied the new legislation. I simply refresh the members' memories and the memory of the minister once again; I am sure he remembers it at least generally. We said in our minority report:

"Point 6(b)(vii) in the report allows the pass-through of financing cost increases that result from the sale of property. In our position we argued that rent review programs should be neutral in respect to the way in which the building is financed and the inclusion of financing costs for pass-through is a major loophole in the present program. We do not feel that the committee's position is adequate to close it."

Again the other two parties ignored that warning and permitted the inclusion of financial pass-throughs resulting from the sale of a building as a legitimate form of rent increase. We had literally hundreds of examples of landlord after landlord simply squeezing the speculative profit out of their buildings or using the equity of a building they owned in order to increase their

property holdings by purchasing other buildings and in a quite illegitimate manner passing the costs of that speculation, either to acquire more property or to extract their profit, on to tenants through ever escalating rents.

4 p.m.

As long as it was confined to one or two buildings, to relatively small buildings or to a building here and a building there, nobody seemed to pay too much mind. Then came that horrible day when the largest single landlord in Metropolitan Toronto decided to unload an entire portfolio—I do not have my notes but I think it was 10,000 or 11,000 units. Those 11,000 homes were simply dumped on to the market so that the company, in turn, could take out its speculative profit.

Then we had the series of flips in the trust companies affair, the numbered companies and the whole fiasco. It became necessary for the government to act simply because of the magnitude of the problem in that single sensational event involving 11,000 tenants in Cadillac Fairview apartment holdings.

There was nothing new about what was happening there except that it was more spectacular. The building had been flipped a couple of times and the gouging was even more blatant than normal. The basic exercise was exactly the same as that which has prevailed since our rent review program was initiated in 1975.

The government was forced to bring in this legislation because it knew very well the magnitude of the speculative profit that had been extracted from the Cadillac Fairview holdings. It knew that the kinds of rents the Cadillac Fairview tenants would be required to pay would mean, of necessity, that many hundreds, if not thousands, of them would be evicted because of the pressure of the economics of the situation. It knew the rents would be so high the tenants would lose their homes.

We are not supposed to talk about tenants in those kinds of terms. Tenants do not lose their homes do they? Of course they do lose their homes. An apartment is a home for a tenant just as a house is a home for a home owner. There is no difference. There are differences in law, but in terms of the dynamics of the situation there is no real difference.

Does the minister want to have a meeting? I am speaking to the minister, Mr. Speaker.

The Deputy Speaker: The member is speaking through the chair to the minister. I think the member can continue.

Mr. McClellan: I do not think I have trouble in talking to the minister at any time.

To finish off this review, the government was forced to bring in this legislation to protect tenants from an inevitable catastrophe of evictions. There still seems to be some ambiguity on the part of the government over whether this kind of limitation on financial cost pass-through is going to be permanent or whether this is seen as a temporary aberration, to use the words of my colleague the member for Kitchener-Wilmot (Mr. Sweeney) when he first described rent review in 1975. I am convinced many people in the other two parties are still under the delusion that rent control itself is some kind of temporary aberration which will disappear when the market somehow returns to its senses.

Similarly, I think there is an assumption that this kind of limitation on speculative profit, which is the nub of Bill 128, will somehow disappear. It will not. The reality of the private housing market in this country is that it has been unable to function. It does not function unless it can extract its speculative profit. It has never been able to function on the basis of the normal kind of rewards for equity. If I invest money in normal securities, I content myself with interest on that equity. Most businesses do the same thing. Most businesses are not fuelled by the kind of manic energy of ever-escalating speculative profit. The housing industry is quite singular in appearing to be utterly dependent on the extraction of speculative profit.

Until very recently those of us who believe there are other ways of providing decent, affordable housing in our society were content simply to fulminate and express a kind of moral outrage without having real opportunities to point to working alternatives. That situation has changed too. The Achilles' heel of the private development industry, exposed very fundamentally through the Cadillac-Fairview fiasco, has required the government to intervene in such a fundamental way that it has taken away, stripped from the landlords of this province, their time-honoured right to pass through whatever financing costs their whim dictates.

The government itself has been forced to act against its deepest philosophical and ideological convictions in this matter and to limit the capacity of landlords to extract speculative profits at the expense of tenants. This has been a singular event in Ontario's social and political history. At the same time, over the course of the last decade, alternative institutions capable of supplying affordable housing have developed

across this country, largely because of some very progressive policies initiated at the federal level under section 56(1) of the National Housing Act.

We are now in a position to point to the co-operative movement across this country, particularly in places like Metropolitan Toronto, as being a network of institutions, nonprofit developers and resource people working with tremendous success and vitality to provide decent affordable housing on a nonprofit co-operative basis, not on an experimental scale but on a large scale, to house many thousands of people.

We have structures in place in our society that make it possible for the first time in our history to talk seriously about supplying the necessary quantity of decent, affordable housing outside the market. We have a network of 40 municipal nonprofit housing corporations which have developed over the course of the six years since 1978 in many cities and towns across the province, each of which has the capacity to provide large quantities of good, decent, affordable housing. We are no longer in the position of being captives of the private real estate industry for the provision of affordable rental accommodation.

The structures are now in place, through the municipal nonprofit program and the tremendous vitality of Ontario's co-operative housing movement, to be able to meet our housing needs for rental accommodation through nonmarket institutions. It is a matter of concern that the Ontario government at this time has not one clue with respect to a policy of housing supply.

4:10 p.m.

That is the subject of another debate. I will not get into that today. We will be doing the estimates of the Ministry of Consumer and Commercial Relations later this week and we will be starting debate on the estimates of the Ministry of Municipal Affairs and Housing on Thursday of this week as well. We will have an opportunity to discuss those things at greater length and have some dialogue about it.

This piece of legislation in front of us has a significance I am not sure the government has fully assimilated as yet. I do not believe for a moment that the private housing industry, the development industry in Ontario, would be prepared to assume its traditional role, the kind of role Cadillac Fairview, Meridian and the other huge development companies played in the late 1960s and 1970s. None of them would be

prepared to play that role in today's political, social and economic climate.

They would not be prepared to play that role in the presence of a statute such as Bill 128, which limits their capacity to gouge speculative profits at the expense of their tenants. They will not play the game under those rules. They will not play the game under the rules of rent review.

The government knows that. It causes the government a great deal of concern. How are we going to solve the supply problem? How are we going to get rid of rent control because rent control is a function of supply? The private sector will not participate in supply programs as long as there are rent controls and things such as Bill 128.

The private sector has gone on strike. Capital is on strike in the housing sector. The government knows that. The government knows this industry better than any other body, yet it refuses to follow the logic of its own policies. The government put policies in place because of serious, crippling problems within the housing market which were driving people out of their homes. It then put policies in place that drove the private sector out of the supply business. It has sat there for nine years waiting for somebody to come up with a housing supply policy. It is preposterous.

There is obviously only one solution. If the government feels it is so necessary to hamstring the private sector, the only alternative is to provide supports to the private nonprofit sector, the municipal nonprofit sector and, most important, to the co-operative nonprofit sector to develop housing. Yet Ontario has a complete vacuum with respect to policies in this area and has been taking a piggyback free ride since 1978, coasting along behind the federal programs and paying approximately four cents on the dollar for the support of nonprofit social housing programs since 1978.

It does not make sense. I suspect the minister understands very clearly—much better than I do—that the chickens will eventually come home to roost. We can see the housing crisis is getting worse and worse. Waiting lists for low-income housing are now astronomical.

Nobody can put housing on the market in my community in Toronto for less than about \$800 a month for a one-bedroom apartment, which is above the luxury cutoff line for purposes of rent review. This is how preposterous the economics of free-enterprise housing have become. The industry itself is now talking about the urgent necessity of a universal shelter allowance to

make its product affordable not just to low-income people but to the average Ontario family in many of our large urban centres.

The day of reckoning has already come and gone. The day of reckoning was the Cadillac Fairview fiasco, which forced this government to take certain essential measures to protect the residents of the Cadillac Fairview complex. We wait with bated breath to learn about the ultimate disposition of those buildings. In the meantime, we support these kinds of measures, such as the one before us, that the government has been forced into, obviously against its will. We wait with a kind of morbid curiosity to see whether the government will—

Hon. Miss Stephenson: How can you wait with bated breath and morbid curiosity at the same time?

Mr. McClellan: It is a really pathological condition, I know.

We wait with extreme interest to see whether the government has the wit to deal with the housing supply crisis in which it finds itself up to its eyeballs. This little bill before us is simply the tip of the iceberg with respect to what is happening in the housing sector in this province and this country. Quite frankly, the government must recognize that we do not need the private sector to provide decent, affordable housing.

I will conclude with a very fundamental observation which I believe very deeply is based on a simple observation of what is happening in our society. We have in the nonprofit sector the institutions in place which will provide all the rental accommodation our people require. The staff and nonprofit developers are in place; the expertise, track record and apartments are there; and the satisfied customers are there. All that is missing is a government policy which could seize this opportunity and free us from the historic necessity of relying on the private sector and its seemingly insatiable need to be able to extract speculative profit out of people's homes.

I hope that in the not too distant future we can have the opportunity to see this government move off its dime with respect to housing policy and come forward with some initiatives that will begin to make some sense.

Mr. Cassidy: Mr. Speaker, I was waiting with bated breath.

I just want to say a word or two because, as the member for Ottawa Centre, I have a lot of tenants in my riding who have been affected by the kinds of scams and other unusual events that

we have seen in the housing sector over the course of the last year or so. They have been affected over a long period of time by rent increases which have been the result of the trading of properties, the capitalization of speculative gains and the obligation being passed on to tenants to pay for those profits that are going into landlords' hands.

I was the housing critic for our party back in 1975 when the rent review scheme was first put forward by this government. As my colleague the member for Bellwoods (Mr. McClellan) has pointed out, at that time our party warned that the matter of capital profits and the passing on of these increases in costs had to be faced by the government or else a fatal flaw would be left in the plan. Eventually, this could lead to either severe threats to or the actual undermining of rent review.

Over the last few days I have had a chance to reread the Morrison report with respect to the types of property trading that were taking place, financed by trust companies and that kind of thing. People were kind of flexing their muscles, trying out prototypes and pilot projects for the eventual transfer of property in which the Cadillac Fairview properties were written up from \$270 million to a supposed \$500 million in the course of just a few days. That was not new.

4:20 p.m.

It happened that was the summum of it, the quintessence of the scheme. It was so gross and outrageous that the government finally felt compelled to act. Perhaps they felt compelled to act because of the number of people, traditionally supporters of the Conservative Party, who were living in Cadillac Fairview buildings and the number of Cadillac Fairview buildings that happened to be located in Conservative ridings in the area of Metropolitan Toronto.

One of the reasons I wanted to contribute to this debate was to tell the minister and those six members of the government party who are present—five, not counting the minister—that we have these same problems in Ottawa as well. We have a vacancy rate in Ottawa, according to the most recent figures from Canada Mortgage and Housing Corp., of three tenths of one per cent. We have tremendous pressures on the rental market in Ottawa-Carleton and we have ineffective protection.

We have a situation where landlords, financiers and speculators have been taking advantage of the squeeze in the housing market and finding all kinds of ways to try to run around the

act. That kind of capitalization of gains should have been done away with a long time ago. What we have instead is a temporary measure that is being extended now for another year. It was brought in only because of the political circumstances of last fall and, in fact, it should have been there a long time before.

The representatives of the Ottawa-Carleton Federation of Tenants have been asking me for some time, "What the devil is going to happen with Bill 198?" I was pleased to be able to tell them an extension is coming through the Legislature and they can rest easy, at least over the course of the next few weeks. None the less, we have yet to hear a commitment from the government.

I would like to ask the minister whether he would make a commitment now that, whatever else is done as a consequence of the Thom commission report, the government will make what is in this bill, the extension of Bill 198, at least the bottom line; this will be the worst tenants will be exposed to. At least there will be that modest bulwark of protection against the jacking up of rents on the basis of increases due to trading of properties at speculative values.

The minister should know, because it has happened here in Metropolitan Toronto, that some landlords have seen the writing on the wall and have simply decided to trade buildings. They took the buildings that were worth \$1.5 million and traded them to each other for \$3 million or \$4 million apiece and then turned around and started to apply the increased costs to their tenants in the form of rent increases. They will be able to do that even under this bill and they will be better off doing that than keeping the property in their hands.

Those kinds of things are liable to continue unless the government is prepared to indicate that it has a commitment to protecting tenants which goes beyond the commitment of doing barely enough to save its political skin in those ridings where there are a substantial number of tenants.

I want to pay tribute to organizations like the Federation of Metro Tenants' Associations and the Ottawa-Carleton Federation of Tenants for the work they have been doing in terms of continuing to organize and to work with tenants. In my area over the course of the past four or five years, tenant organizations seemed to be almost a dead issue. The tenants felt they had adequate protection, and perhaps that led to some of them deciding to opt out of the last election in 1981. Over the course of the last six

or eight months, that has changed. Tenants recognize that protection is not guaranteed and that they have to organize. There has been a great deal of organizing of tenant groups and associations in different buildings.

If the minister has a commitment to creating new social institutions that will help to resolve tenant issues and to ensuring that decisions are made at the local level by the people who know what is going on, rather than have them overloading the regulatory apparatus, he should be prepared to consider now, long before the Thom commission reports, a means by which tenants can have their rights to bargain and to negotiate recognized and can deal directly with their landlords.

In the case where a tenant organization has the legitimate support of its members, they might be able to do things and arrive at consensus or agreements with their landlords without necessarily having to have every dot and every iota certified by the Residential Tenancy Commission. It might be a healthier situation, because people could then determine what their priorities were and see that those priorities were looked at by the landlord or in conjunction with the tenant.

If the government felt, and I suspect the government does not, it was important that, however people live, they should have as much power and control over their own living and working arrangements as is possible, then it would look very favourably upon the proposal I am making. It would see it as a means of ensuring that people who may not necessarily own property could none the less exercise some of the rights pertaining to property instead of maintaining the inequalities that exist right now between people who are owners of some kind and those who are put in the status of second- or third-class citizens as tenants.

That is all I wanted to say about the bill. While I, too, welcome the fact that the bill is here, I do have to reflect concern over the fact that we now seem to have a permanent series of sunsets coming over from the government wherever any legislation that helps ordinary people in this province is concerned. I would like to see something more than a commitment to keep this in place for a few more months.

Hon. Mr. Elgie: Mr. Speaker, my remarks will be very brief, because it is clear from the speeches of the three members that there is general support for the principle that in the absence of the Thom report, part 1, it would

really be inappropriate to deal with it in any fragmented way.

From the government's point of view as well as from the opposition members' point of view, I feel that even if portions of the report were to be delivered to me next week or the week after, I do not think it would give this Legislature or the government the appropriate time to review it and come forward with a comprehensive package. So I look forward to bringing whatever proposals may flow from the Thom report to the Legislature some time in the spring, if that is at all possible.

In thanking the member for Prescott-Russell (Mr. Boudria) for his support, I do want to indicate, though—and I do not think he intended to be critical or to imply that there was any intentional delay on the part of Mr. Thom—

Mr. Boudria: No.

Hon. Mr. Elgie: The honourable member has confirmed that he did not. Mr. Thom is someone for whom I have a great deal of respect, and I think the landlord and tenant groups who appeared before him shared that respect for him.

Mr. Boudria: I appeared before him as well.

Hon. Mr. Elgie: Yes. I can assure the member that there is no lack of interest or diligence on the part of Mr. Thom.

I do not want to be provocative, because I have been warned that if I am, this debate will go on for 16 hours. So without being provocative at all, I do want to make it very clear that I do not think any criticism with respect to the timing of the submission of part I of the Thom report should be seriously taken or seriously given.

The member for Bellwoods (Mr. McClellan) in part of his remarks—and I am not sure whether I heard him correctly—suggested it was possible that some owners of buildings were placing mortgages on those buildings, passing the costs of those mortgages on to the tenants and then using the funds for other purposes and that some owners were indeed doing so.

If he was seriously suggesting that, I think he should bring the specific cases to the attention of the commission, because that would not be an allowable cost pass-through. If he has such information about any specific cases, I do wish he would bring it to my attention; if not to mine, then to the attention of the commission.

Although I know it is nice to say the Cadillac Fairview transaction forced the government to move, I have to point out that this is not really

quite accurate. The guidelines of the commission already had in place mechanisms that allowed the commission to phase in any financing costs passed through over a period of up to three years.

Even before the Cadillac Fairview transaction, as members will recall from committee hearings last year, the chairman of the Residential Tenancy Commission indicated that he and his commissioners had been discussing alternatives aimed at perhaps extending that principle even more.

4:30 p.m.

I think it is a little bit unfair and inappropriate to suggest that the government was forced to move. What it did do was to feel that it was important to move in this Legislature, not only through guidelines, in response to a particular situation.

Mr. McClellan: It was just one of those things. It was just a coincidence.

Hon. Mr. Elgie: Yes. I know the member, being a man of great faith and great understanding, will appreciate that we all have the capacity to continue to be great and we have shown for 40 years that we can offer that kind of greatness to the people of Ontario. I want all six members of the New Democratic Party who are here to hear that remark.

Mr. Charlton: That's what we like, government by coincidence.

Hon. Mr. Elgie: No, I am wrong—five and a half.

Interjections.

The Deputy Speaker: Order.

Hon. Mr. Elgie: I want all five and a half members here to hear that remark, because I think it is important that even the other half should know what the truth is.

I must say there was an interesting discourse on housing supply although it was not really relevant to the issue we have before us. I think it was an important discussion that took place, but we are dealing with the Residential Tenancy Commission, which relates to private sector rental accommodation and not to the other types of accommodation that were dealt with.

The member for Ottawa Centre (Mr. Cassidy) asked for a personal commitment from me that the essence of this bill would be fundamental to any new rent review legislation. If he is listening in the gallery or outside, I want him to know that if he will read the terms of reference for the Thom commission, the commission was to

review any changes Mr. Thom considered relevant with respect to the equity of landlords and tenants. We will be looking at that report before we reach a balanced determination.

Mr. McClellan: A balanced view.

Hon. Mr. Elgie: The philosophy of balance is one the member will come to understand one day. We are looking for balanced proposals to bring before this Legislature which respect all without singling out a few.

Mr. McClellan: Tell that to the people on the OHC waiting list.

The Deputy Speaker: Order.

Hon. Mr. Elgie: In any event, if the member for Ottawa Centre has any specific examples of the trading of buildings—there was a little bit of loose talk about people in the marketplace shuffling buildings back and forth and passing the costs on to tenants—he should bring the specific charges he is making about specific instances to my attention or to the attention of the chairman of the Residential Tenancy Commission. If there are indeed such cases, they should be reviewed.

In general, I am pleased with the support the bill has received, understanding full well that the members agree it would have been inappropriate to bring in anything by way of fragmented proposals. I look forward to doing that in the spring.

Motion agreed to.

Bill ordered for third reading.

PUBLIC VEHICLES AMENDMENT ACT

Hon. Mr. Snow moved second reading of Bill 95, An Act to amend the Public Vehicles Act.

Hon. Mr. Snow: Mr. Speaker, I made a statement on the introduction of the bill a few weeks ago. I really have nothing further to add to that.

Mr. Nixon: Mr. Speaker, we are supporting the bill. It does not have very far-reaching ramifications, but I know of the minister's continuing concern with the Public Vehicles Act and his predictions that in the next two years we are going to see some far-reaching changes. It may well be that the government will have changed by that time and a Liberal administration will have an opportunity to bring this whole matter into modern reality.

I am glad the minister has taken the initiative so that rural areas can be served by vehicles designed to transport physically disabled passengers without requiring public commercial

vehicle licensing. I am not sure whether that was as a result of certain problems with the commercial transportation of handicapped passengers. Certainly the problem had not arisen in my particular rural area, but if we are correcting a situation that did not need fixing, I suppose we should do it beforehand rather than wait for the problems.

The other matter that did interest me from my own area had to do with the repeal of the section that for many years has given city councils a right to pass bylaws requiring public vehicle licence holders to pay a fee. We are aware that the tax base of municipalities has been constricted and restricted over the years so they have nothing but the property assessment and a few licence fees left to support municipal endeavours. Beyond that are the grants that come from the minister's colleagues in support of programs that have the approval of the provincial government. We find more and more that freedom of action is being hindered at the municipal level.

I was also interested to see in the notes accompanying the bill that the city of Brantford—and I have the honour to represent a part of that city—was one of the few municipalities that still levied a municipal fee on PCV licence holders. I have no doubt that the minister's officials have checked with the municipal authorities in the cities and towns that still levy such a tax and that they are familiar with the matter. It is apparent that this has not been a large source of revenue and, frankly, I think it does make eminent good sense to remove that special taxation from municipalities.

I say that having already brought to your attention, Mr. Speaker, something that you know about, being a taxpayer in Mississauga, which is that our cities have little or no freedom of action in financing their programs. Before they even draw breath, they must get approval from senior levels of government to get the financing that goes along with the program.

However, the bill does not have any far-reaching changes that we are objecting to, and we are prepared to support it.

Mr. Samis: Mr. Speaker, following the remarks of the Joe Barnes of the Liberal caucus, I want to say we will support the bill. It is a commonsense bill, and we especially support the provisions for the transportation of the physically handicapped in rural areas.

Hon. Mr. Snow: Very briefly, Mr. Speaker, I would just like to thank the honourable members for their support.

In reply to the member for Brant-Oxford-Norfolk (Mr. Nixon), there has not been a serious problem as far as the PCV or PV licences for the handicapped transit are concerned.

As members will recall, a few years ago I brought in an amendment to remove vans for van pooling purposes from the act. That has accommodated a lot freer movement of that type of vehicles used for commuter pools. There have been some requests and some correspondence from municipalities with regard to the use of their special handicapped vans for transporting a handicapped passenger to a hospital, a doctor's office or a place of education, where it does cross a municipal boundary. Technically, they need a PV licence for this. We do not feel this is necessary and we are proposing, in this bill, to exempt them from that purpose. That is the reason for it.

Motion agreed to.

Bill ordered for third reading.

4:40 p.m.

HIGHWAY TRAFFIC AMENDMENT ACT

Hon. Mr. Snow moved second reading Bill 96, An Act to amend the Highway Traffic Act.

Hon. Mr. Snow: Mr. Speaker, as on the other bill, I made a statement of the basic contents of this bill, a number of housekeeping items in the bill. One of the main items of the bill is the fact that we are correcting or covering something that has been omitted from the bill for many years since it was passed. It now brings streetcars under the Highway Traffic Act for various offences, the same as any other motor vehicle. That takes up a great many sections of this bill that deal strictly with amending existing sections so that they apply to streetcars.

I have a few minor amendments to Bill 96, so I will be asking that this bill go to committee briefly to make those amendments. Again, they are technical things. Although all these amendments relating to streetcars were discussed and fully agreed upon by the Toronto Transit Commission, which is the only body that operates streetcars in Ontario, after the bill was introduced and printed there were some minor things that came up the TTC asked us to amend during committee. So I will be placing those amendments before the House in the committee stage.

Mr. Nixon: Mr. Speaker, I may have missed the minister's statement on first reading of the bill, but I would be interested, perhaps in any

closing remarks he might have, if he would tell us the story of what happened to the streetcar driver who was involved in the incident that precipitated this great clutch of amendments.

An hon. member: I understand that he was fired.

Mr. Nixon: I can remember hearing on the news about some streetcar driver—wasn't it down on the waterfront somewhere?—and I was quite interested to hear that while the local police were going to charge him under the Highway Traffic Act it became apparent that such an act did not apply and they were looking at some federal statute having to do with railways.

My curiosity was piqued. I had a concept of some chap who had been out on a big party getting control of one of those mighty multi-ton streetcars and roaring along the tracks of outer Queen Street or King Street. I would like to hear from the minister just what the circumstances were, if he has the time, and I think we may have it, before this debates ends. The time is available.

It is interesting that he chose this way of bringing streetcar drivers under the provisions of the act. One would have thought that just an amendment including streetcar drivers in a general way might have been possible. But when I see the quality of the people under the gallery who are advising him on this bill, there is no doubt in my mind that this rather cumbersome procedure is the very best way it could possibly have been carried out.

Interjection.

Mr. Nixon: If they want a raise, I certainly think they should get it because they have done a lot of work on this and the other bill.

I was also interested to see that the minister is finally bringing in a provision whereby licences cannot be renewed as long as there are outstanding parking infractions against the vehicle. I find that quite interesting. I wonder if his computers have been perfected to such a degree that all of these outstanding infractions are readily available and that his licensing authorities need only punch up the appropriate codes, names and numbers and it will become apparent whether or not there are outstanding parking infractions to be paid.

We know over these many years of people we are personally acquainted with who have really laughed at the provisions of the parking infraction procedures and usually, when they see them on the windshield of their car, just tear them up and throw them away or stuff them in

their pockets. We hear of instances where people with hundreds of these infractions finally are brought to book and have to pay many thousands of dollars.

As a matter of fact I know an individual—I hesitate to tell you, Mr. Speaker, that he is a member of the Legislature—who keeps one of those yellow parking tickets in the glove compartment of his car, and whenever he goes to a restaurant or something where the parking is somewhat inadequate he just pulls right up beside a fire plug, sticks the yellow ticket under the windshield and goes in. When he comes out, the yellow ticket is still there and he puts it back in the glove compartment and drives away.

I of course do not condone that sort of action, but I found it quite interesting that the whole procedure is treated so lightly, particularly by city people. We people in the country, of course, have a much greater respect for the law and for law enforcement officers, and I find it really quite interesting that some of our urban compatriots have allowed their attitudes to disintegrate to that extent.

I would be interested to know whether the minister can indicate that such validation is going to be a fairly mechanical thing now and that when we renew our licences on a regular birthday basis the computer will check to see we have met all our legal requirements under the Highway Traffic Act and ancillary acts.

I was also interested to see there is at least some reference to vehicle inspection. For example, the minister has tightened his control of certain materials used in car maintenance, in this instance hydraulic brake fluid and hydraulic system mineral oil.

From time to time over the last 20 years there have been proposals that our automobiles ought to be inspected for safety measures on a regular basis. Mr. Speaker, being a traveller yourself, I am sure you have often been in jurisdictions where each automobile has a sticker on the windshield indicating that it has been checked for safety purposes by a state; usually it is a jurisdiction in the United States of America where this is required.

It may well be that the minister, who has been concerned with safety over so many years—what is the minister glaring at me like that for?

Hon. Mr. Snow: There is nothing in this bill about that.

Mr. Nixon: The minister is talking about hydraulic brake fluid. He should test that every now and then.

I certainly do not want to waste the minister's

time, but he has often indicated that his ridiculously low speed limit has saved many lives. We are all concerned with saving lives, but in that instance it seems to be a fetish that he has added to his list of fetishes with which he seems overly concerned. It has been proved without any reasonable argument to the contrary that quite often the speed limits have led to a good deal of disregard for the laws of the province.

He need only observe what has happened as he is brought here in his chauffeur-driven limousine along the James Snow Parkway and all these elaborate new roads. He will find nobody on these highly engineered highways, which we as taxpayers of the province have developed, obeys the speed limit unless there is one of those black and white cars coasting along with an officer glaring at everybody. Even they can hardly keep their feet off the accelerators to the extent that the speed limit is obeyed under most circumstances.

The minister has been following the saga of my difficulties with speed limits over the years, and the Speaker and the minister would be glad to know that I have no points against me. I never fear, whether we are supposed to be building them up or getting them down, that I am not at the good end of the scale with absolutely nothing against me. That is because I continue to obey the traffic laws as carefully as I possibly can, except in cases of emergency.

The minister's approach to safety is an on-again off-again thing. He tends to set a good deal of store by certain readily saleable public positions that tend to have some political kudos in them rather than being realistic about safety and the approach particularly that might be considered with safety inspections.

There is a peripheral reference to this in the act in that we are applying the Highway Traffic Act to streetcar drivers. In this connection he reminds me of his colleague the Attorney General (Mr. McMurtry), who is always struck by the Christmas season in a strange way. He always feels constrained to make speeches against drinking and driving.

Most of us in this House are against that combination year round. We think it is a terrible thing that in this instance the government has not taken a concerted position that is going to be designed to reduce the carnage associated with drunk or impaired drivers on the roads. The statistics indicate clearly that in almost every incidence of serious highway accident and death, it is not a matter of high speed and not a matter of the other things the minister

talks about, but it is often associated with alcohol.

4:50 p.m.

The government is in a very strange and ambiguous position in that regard since this year they expect to have revenues of close to \$700 million from alcohol. On the one hand, they are pushing it with everything they possibly can, building liquor stores and that sort of thing. On the other hand, the Attorney General is going around with his hand on his heart, sitting in the back seat of his chauffeur-driven limousine and worrying about the implications of impaired driving.

It was just a few years ago that the Attorney General hauled an old wreck in front of Queen's Park so that those of us who drive our own cars up University Avenue would have the object lesson of this terribly smashed car just at the top of University Avenue. However, he has changed his tune a little bit, because when I drove up here the other day somebody had anchored the big blue Labatt's balloon at the top of University Avenue. It was not entirely clear what the object lesson for drivers—many thousands of us, day by day, as we come around Queen's Park—was meant to be.

Having made these apropos comments, I would say we are prepared to support the bill and await the minister's amendments with eagerness.

Mr. Samis: Mr. Speaker, We on this side will also support the bill. I must say we are truly inspired by the news that the member for Brant-Oxford-Norfolk (Mr. Nixon) has been rehabilitated as we enter the yuletide season. It is almost an annual ritual that we get an update on how many points he has and how close he is to the brink. To hear that the honourable member is down to zip, zilch, zero, is truly inspiring for those of us who are on the roads of the province.

We certainly support the principle of extending the Highway Traffic Act to operators of streetcars in Toronto. It makes good sense, especially in view of what happened. We also support the lengthy list of provisions pertaining to that.

I do want to express some reservation about the question of fines contained in the bill. I support the principle of increasing the fines, and I have reservations about the fines for someone who is caught driving in Ontario without a licence. This is not someone who is necessarily suspended or who has forgotten his/her licence

at home, but someone who deliberately decides to go out on the highway and says: "To hell with the law. To hell with everything else. I am going out there." That person will be subject to a minimum fine of \$100 and a maximum fine of \$500. I realize that puts it in the same proportion as the Highway Traffic Act and the general penalties involved.

I do not think that is adequate for someone who deliberately decides to flout the law and go out on the streets, highways and byways of this province. It flabbergasts me that someone can do that and the maximum fine will still be only \$500. It is a blatant, total disregard for the whole concept of laws in society and any concept of safety whatsoever. I feel very reluctant to endorse that aspect of the bill.

We welcome the initiatives contained in the bill dealing with the question of motorcycle helmets. The recent statistics are not encouraging. The minister is well aware of the ongoing trend, of the increase, which stands in stark contrast to the progress being made in the general accident statistics as they relate to passenger cars.

I am not sure this will be enough. I think we have to go well beyond this. We have to make some changes in the whole testing procedure for people who drive motorcycles in this province. I still think we should consider the idea of a two-tier licence system for people who are allowed to drive motorcycles in this province. Maybe we should consider some form of educational programs, in conjunction with the private sector, specifically for drivers of motorcycles. I would like to see the private sector get much more involved in safety programs dealing with motorcycles, as did the Charlton family in Hamilton.

We will also support the increases in the general penalty from a minimum of \$20 to \$40, and from a maximum of \$100 to \$200. I know the minister will say this represents a sizeable increase, doubling the penalty in fact. However, I am concerned about how long those figures will stay in effect. If these changes represent the first change since 1968-69, using that precedent these figures will not be changed until 1996-97. I would hate to think the minimum fine for the general penalties in the 1990s would be \$40 and the maximum \$200. I have some reservations about that.

I would also ask, when we get to section 33 dealing with police cadets, that the minister afford us a definition of what a police cadet actually is versus a police officer, meter maid or

green hornet. What is the actual definition of a police cadet per se, according to the act?

The overall thrust of the bill is one that we support.

Hon. Mr. Snow: Mr. Speaker, unfortunately I cannot report to the member for Brant-Oxford-Norfolk (Mr. Nixon) the details regarding the TTC driver who had the accident with the streetcar. I am sure there is a report available. There was perhaps an internal TTC investigation of that and there is probably a police report as well. Unfortunately, I do not have those reports with me at this time. I do not believe I have them, period. I am sure I could get them, but I do not have them.

I was informed by the TTC that although it does not require a streetcar driver to have a licence and they are exempt from the Highway Traffic Act, it has always been the policy of the TTC that all their streetcar operators be licensed. The one who had that unfortunate accident had a valid licence.

Mr. Nixon: What was he doing?

Hon. Mr. Snow: What was he doing? I hesitate to say. I would presume he was not paying proper attention or he would not have run into the streetcar ahead of him. That is what happened.

Mr. Cunningham: Blame UTDC's brakes.

Hon. Mr. Snow: I do not believe it was an Urban Transportation Development Corp. car that hit the car, was it? There was a UTDC car and an old car and I forget which one was which. In any case, one hit the other and it was an unfortunate accident.

The amendments we are bringing in here today would certainly not have prevented the accident, if they had been in. But this matter brought to our attention that there has never been any reason for having the Highway Traffic Act apply to streetcars before. At this time when we are making these amendments, I wanted to clear up that issue.

I spoke to the management of the TTC and they were in full agreement. They really did not feel it was totally necessary because they dealt with it as a matter of policy. But they had no opposition to us bringing in these amendments.

The honourable member also asked about the computer and the operation of the parking tickets. The parking fine computers will actually be in the Attorney General's department. Unpaid parking fines will be accumulated against the vehicle in the Attorney General's computer. Then we will have access to that computer file

so that when we send out a notice for renewal of a vehicle licence, we will then be able to say on that notice that Mr. Nixon or whoever has X number of unpaid parking fines against that vehicle. Those fines must be cleared before the vehicle licence can be renewed.

The member for Cornwall (Mr. Samis) mentioned the amount of the fines for driving without a licence. Currently, I believe that fine is \$20 minimum and \$100 maximum. In this amendment we are proposing to increase that to \$100 minimum and \$500 maximum.

5 p.m.

That is a 500 per cent increase. I am sure it is somewhat above the five per cent guideline, but I think it is an appropriate fine. During the briefing on this bill, it was suggested that the fine should perhaps be higher. Both the Attorney General and my ministry are reviewing the overall rate of fines because, obviously, on account of inflation, a \$20 fine that was appropriate 10 years ago, or whenever it was set, is now about a third of what it was. I think all our fine schedules should be reviewed in the Highway Traffic Act and perhaps other legislation as well that the Attorney General (Mr. McMurtry) is looking at.

I do not expect this proposed fine we are setting to sit on the books for 10 or 15 years before it is reviewed again because it will be part of the overall review.

With regard to the question of the definition of a police cadet, I am told that section 73 of the Police Act permits a chief of police to appoint police cadets to undergo training and they are deemed to be members of the police force. It is not really good, productive use of valuable constables' time to have them enforcing parking regulations and writing out parking tickets.

I think this amendment clarifies the fact that police cadets—and I presume that includes meter officers and so on—will be able to perform those duties rather than policemen and municipal bylaw enforcement officers. These are people who are appointed by the chiefs of police under the Police Act.

Motion agreed to.

Bill ordered for committee of the whole House.

House in committee of the whole.

HIGHWAY TRAFFIC AMENDMENT ACT

Consideration of Bill 96, An Act to amend the Highway Traffic Act.

On section 1:

Hon. Mr. Snow: Mr. Chairman, I have an amendment to section 1.

Mr. Chairman: Hon. Mr. Snow moves that subsection 1(3) be amended by striking out paragraph 37a.

Mr. Cunningham: Perhaps the minister could explain why the government is deleting paragraph 37a from that section. Is there a difficulty in the legal definition of the word "traffic"? What is the purpose of this?

Hon. Mr. Snow: The explanation I have is that reliance will be placed on the dictionary definition of "traffic." A special definition is not necessary and should not include animals for purposes of vehicles yielding the right of way. We are just eliminating that section. It is not felt by the drafter that it is necessary.

Mr. Samis: Mr. Chairman, could I just ask the minister why we have this whole series of amendments at the last minute? The bill was drafted a while ago and we had a briefing session. Why all of a sudden are there these amendments at the last minute? It is not that any of them are particularly controversial, but I am just interested in the basis for the process of these last-minute amendments?

Hon. Mr. Snow: As I mentioned during the previous remarks, most of these amendments relate to the streetcar situation. I had personal discussions with the chief general manager of the Toronto Transit Commission regarding these amendments. The amendments were drafted in consultation with the legal branch of the TTC and my ministry. After the amendments were drafted and after the bill was introduced, the TTC came back to us with the request for these few minor amendments. I got them this morning just as the member did. That is when this request from the TTC came to our attention.

Mr. Samis: I will just make a point very briefly. This hardly strikes me as very satisfactory or very efficient when the bill was introduced about five weeks ago. I presume the minister had all sorts of discussions prior to the formulation and writing of the bill and prior to the actual introduction of the bill. The TTC had time to assess its position as well. The way it has been done just does not strike me as an adequate process.

Section 1, as amended, agreed to.

Sections 2 to 9, inclusive, agreed to.

On section 10:

Mr. Chairman: Hon. Mr. Snow moves that

subsection 10(1) of the bill be amended by striking out "or" in the second line.

Mr. Cunningham: I find myself in a similar position to that of the member for Cornwall (Mr. Samis) in so far as we only got these amendments this afternoon. I appreciate the briefing we had several weeks ago. I like to be favoured with some explanation or rationale as to the purpose of these amendments. For instance, I am reading section 10 right now and I do not know the purpose for the deletion of the word "or."

Hon. Mr. Snow: I guess it would be called a drafting error or oversight. The word "or" should not appear in the midst of the list of types of vehicles.

Mr. Samis: Very briefly, since this underscores the point I made, this is obviously a major, ideological modification to the bill and should have been introduced a long time ago.

Section 10, as amended, agreed to.

Sections 11 and 12, inclusive, agreed to.

5:10 p.m.

On section 13:

Mr. Chairman: Hon. Mr. Snow moves that section 13 of the bill be struck out and the following substituted therefor:

"Section 38 of the said act is amended by inserting after 'vehicles' in the third line 'or of streetcars'."

Hon. Mr. Snow: To explain the amendment to section 13; in the original drafting of Bill 96 we failed to add "drivers of streetcars" to the demerit point system, and this amendment will achieve that purpose. In other words, one will be able to collect demerit points for offences under the act.

Mr. Cunningham: We most certainly would support this amendment. The reality of its passage would require that an individual guilty of an offence would lose points as opposed to losing his job.

Mr. Samis: We will support the amendment, even though it is another major ideological divide.

Section 13, as amended, agreed to.

Sections 14 to 19, inclusive, agreed to.

On section 20:

Mr. Ruston: Mr. Chairman, I see the note about length. Instead of 14 metres it is being lengthened to 14.65 metres, which by my figures would be a difference of about 2 feet, 6 inches.

What trailers are you lengthening? What is the purpose of that? Is this trailers, trucks or what?

Hon. Mr. Snow: The present maximum length for an individual semi-trailer—the trailer box itself—is 14 metres or 45 feet. Most of the jurisdictions in the United States—all of them now—have gone to a standard 48-foot trailer, and practically all new trailers are being manufactured 48 feet in length.

The Canadian operators want to use the same trailer, plus there is the problem of many of these US units showing up at our borders with their 48-foot trailers, which technically are illegal in Ontario. This does not change the overall length of the trucking unit at all, which is 68 feet, 10¾ inches, or 21 metres. All this does is allow a 48-foot long trailer.

It does not give any extra weight. It does give a little extra cubic content for the haulers of light and bulky freight, but it does not change the overall length of the vehicle. We have been dealing with the problem in the interim until this bill becomes law by giving some special permits for these 48-foot trailers to accommodate the movement of goods between the two countries.

Mr. Cunningham: I wondered if the minister could tell us if this would have a negative effect on Ontario-based carriers who would operate in Nova Scotia?

Hon. Mr. Snow: I am sorry, I do not understand what the honourable member is asking. I do not know.

Section 20, as amended, agreed to.

Sections 21 to 25, inclusive, agreed to.

On section 26:

Mr. Chairman: Hon. Mr. Snow moves that section 26 of the bill be struck out and the following substituted therefor:

“Subsection 119(1) of the said act is repealed and the following substituted therefor:

“The driver or operator of a vehicle or streetcar about to enter or cross a highway from a private road or driveway shall yield the right of way to all traffic approaching on the highway.”

Section 26, as amended, agreed to.

On section 27:

Mr. Chairman: Hon. Mr. Snow moves that subsection 122(8) of the act, as set out in section 27 of the bill, be amended by striking out “streetcar” in the second line and inserting in lieu thereof “a streetcar equipped with turn signals or brake lights as the case may be.”

Hon. Mr. Snow: Just a word of explanation. This amendment has been requested by the

TTC because the old streetcars they still use in Toronto, which will be phased out in the not too distant future, do not have turn signals and brake lights. It would not be appropriate to require them to retrofit those old vehicles to meet this requirement. The new vehicles meet this requirement. When the old ones are all gone, there will not be a problem.

Mr. Chairman: Section 27, as amended, agreed to.

Sections 28 to 42, inclusive, agreed to.

On section 43:

The Deputy Chairman: Hon. Mr. Snow moves that subsection 181(4) of the act, as set out in subsection 43(2) of the bill, be amended by striking out “motor” in the second line.

Section 43, as amended, agreed to.

Sections 44 to 49, inclusive, agreed to.

Bill ordered to be reported.

On motion by Hon. Mr. Snow, the committee of the whole House reported one bill with certain amendments.

5:20 p.m.

CONCURRENCE IN SUPPLY, MINISTRY OF TRANSPORTATION AND COMMUNICATIONS

Mr. Cunningham: Mr. Speaker, I have one subject I would like to raise on this occasion. I did mention it during the course of the estimates, but my feelings on the subject matter have intensified since then.

I want to draw the minister back to the discussion we had during the course of the estimates about the Interprovincial Pipe Line application that is currently before the National Energy Board and the Federal Court and to the attendant problems we may have with safety on Highway 6, in the township of Flamborough, if that application is granted.

The minister will know, as I have mentioned and as others have made him aware, that this application is at variance with all our local planning; indeed, it is at variance with the local plan and the regional plan and with the spirit of both. It is a subject area, I should tell the minister, where four or five applications for far less controversial land use have been denied, including the establishment of a restaurant, I believe, a residence and a gas station.

If this application were granted, it would see anywhere from 80 to 140 truck movements per day on to that section of the highway, which in

my mind causes great potential danger for people travelling on that highway.

Tragically and ironically, two years ago on that particular section of Highway 6, almost at the identical spot where this proposal would become reality if the approval were granted, we had a tragic collision between a gas tanker and a snowplough, the result of which cost the operator of the gas tanker his life. He burned to death. Fortunately, the two occupants of the snowplough being operated on Highway 6 were both saved, as a result of the bravery of two local residents, Mr. Ron Wakley and Mr. Frank Czukar.

The impact as a result of this collision was incredible. I hesitate to think what kind of disaster we could have in that part of my community should we have a collision between a car or a truck and a propane vehicle travelling on Highway 6.

Last week I had the opportunity to review again a film that was produced by the United States National Fire Protection Association, based in Boston. It is a 20-minute film entitled *Bleve*. It is a film, frankly, that I think the minister should view himself so that he could see firsthand the very tremendous potential dangers to which we are exposing travellers of that highway should there be a problem either at the propane transfer facility on Highway 6 or with a propane tanker entering on to the highway.

The minister will know, having had a great deal of experience, that these vehicles themselves are extremely heavy and therefore move very slowly. At the same time, their length would require that they could be blocking four to five lanes when turning on to Highway 6.

The minister is also aware that as a result of concerns expressed not only by me but by others in the community, we have encouraged the ministry to improve the design quality of that highway. I should say right now that we are grateful and thankful for the improvements that have been made. Indeed, as far as I am concerned, it is a much safer highway, and I am reticent to use the language that would describe the highway in the past. That reference, of course, is to "killer highway." The statistics now indicate that the numbers of accidents and fatalities on that section of Highway 6 is either at or below the provincial level.

The point is, however, that it is still a four-lane highway with no controlled access whatsoever and no median division. The particular area of the township of Flamborough where that section of Highway 6 runs is prone to whiteouts,

heavy mist and fog, particularly in the spring and in the fall. I think the minister is very familiar with the area and is mindful of that.

I am mindful as well that the ministry perhaps has taken the view in this situation that it is powerless to refuse Interprovincial Pipe Line access to the highway. At the moment, Interprovincial Pipe Line has an option to purchase the highway property conditional upon prerequisite approvals from the National Energy Board.

I am aware, through the application process and the testimony given by the Ministry of Transportation and Communications staff, that the ministry is requiring the adoption of its most stringent design requirements should this project become a reality. That simply is not good enough.

Where the ministry may lack the legal ability to deny Interprovincial Pipe Line its application, I am asking, and have asked on other occasions, that the minister use his power and the moral suasion of his office to encourage Interprovincial Pipe Line to seek a more intelligent alternative location, a location closer to the market, which is described by Interprovincial in its application as the Toronto area, and one that would have municipal water. We do not have municipal water in this situation.

I am convinced that if a fire occurred at either of the two transfer facilities being proposed, we would be able to fight the fire for only two hours, possibly two and a half hours, which ultimately would result in the explosion of any tankers caught in the fire.

I hope the minister will take it upon himself to negotiate with these people and persuade them to avoid a lengthy court battle; we are into that right now and it is costing the taxpayers a hefty amount of money. I hope he will encourage Interprovincial Pipe Line to seek an alternative location.

There are two appropriate locations which could combine the facility in one location as opposed to two, which is the current proposal in Flamborough. One such location would be Burlington, on industrial land in the Appleby Line-Upper Middle Road facility. This would be near municipal water, far closer to the market and less than a kilometre from access to the Queen Elizabeth Way, a far safer highway to transport the product.

The minister might be aware that we are now in a jurisdictional dispute. We are in the Federal Court. The matter could drag out for a number of years only to have it reassigned again to the National Energy Board for consideration. An

accident or a tragedy may not occur in the first several years of the operation of this facility. Unfortunately, with the extent and number of movements on and off the highway, it is certainly a very real possibility that we could have a collision between a propane tanker and some other vehicle on Highway 6.

If the minister had the opportunity to look at either of the films the Ontario Provincial Police have on this subject, to anybody involved in the management of these kinds of disasters, or to refer to the film *Bleve*, produced by the US National Fire Protection Association people in Boston, to which I have referred, he would be convinced of the potential danger that exists not only for the people living in my community but also for the hundreds of thousands of people who travel on Highway 6 every year.

5:30 p.m.

If we have what they call a "bleve," or the explosion of a propane tanker, the explosion could project the tanker up to 2,000 feet and fragments even farther. In the film entitled *Bleve*, one can very graphically see a fireman on an extension aerial ladder applying cold water in an attempt to keep the tank that is engulfed in flames from exploding. A bleve occurred and the man was just blown to pieces. They never found him. The same thing happened to the cameraman who was filming the disaster at the time. So the results of this can be very far-reaching.

The minister indicated to the company that the ministry took a very dim view of this application. While they were not able to stop the company in law, they felt very strongly that this was ill advised and that this proposal was at variance with the most basic principles of planning. It certainly enjoyed no local support in the community.

In the face of growing opposition and pressure in my community, I am not certain whether the people in charge of Interprovincial Pipe Line, which as of last month is now controlled by Hiram Walker Resources, might re-evaluate their position and locate either in Burlington, as I have described, or perhaps at the old refinery in Bronte, in the minister's own riding. It is certainly well equipped from every point of view, including safety, to accommodate the location of this product.

We are not opposed to the conversion of the line. We are being very mature about that. We accept and support it. We feel the completion of transfer facilities will minimize the extent to which rail cars must be shipped from Sarnia and

the extent to which the material would be carried from Sarnia on the highway. We certainly think that would contribute to a safer Ontario.

We are very strongly convinced that this is extremely ill advised. Supporting us in this regard are the Halton Region Conservation Authority, which has been very helpful; the township of Flamborough; the Wentworth County Board of Education; the federal member, Mr. Scott; the region, which is doing everything it possibly can; and two very broadly based citizens' groups.

I can only say in conclusion that if this application is approved, I have a very serious concern that at some time—it may even be 15 or 20 years from now—some kind of tragedy could conceivably occur. I hesitate to think about the loss of life we could see in the explosion of a propane tanker on the highway in conjunction with a passenger vehicle or truck on Highway 6.

Mr. Samis: Mr. Speaker, while my ideologue on the right reads his imported journal, there are two topics I would like to touch upon briefly. One is a perennial topic we discuss in estimates, the question of the ministry, in co-operation with the Attorney General (Mr. McMurtry), putting photos on licences for all drivers in Ontario.

Every year in the estimates, the minister always tells us he is in favour of such a proposal and the legislation is actually in place, yet somehow we never get any action. The usual argument is budgetary. While they blow \$45 million on Minaki Lodge, they cannot find \$3.6 million to spend on this very worthwhile proposal.

The interministerial task force on drinking and driving once again brought home the message that it would be an extremely worthwhile investment. The Metropolitan Toronto Police estimate about 40,000 drivers in this city alone are driving with suspended licences. The police have no adequate means of detecting them, even when they are stopped, because of their inability to identify them properly. Having a photo on a licence would greatly aid the police. It would get some of those people off the road and increase the safety of the streets in every city in Ontario.

I noticed on page 91 of the report they make some telling points statistically when they say: "The present system allows for licence duplication of alarming proportions. In 1981, MTC issued 607,000 licences on change of address requests, 70,500 on correction requests regarding hair colour, height, spelling, etc. and another

95,710 for licence replacements. Also, people arriving from other provinces are not obliged to prove they hold no other licences, and there is the additional problem of black market licences."

If the Attorney General intends to take this report seriously and if the minister exercises his alleged considerable weight within the cabinet, I would strongly urge that we adopt that basic recommendation. It is something that people on all sides of this House would support, I would suspect, with maybe one or two exceptions, and it would make the roads of Ontario considerably safer. Maybe with a little bit of persuasion, even the honourable member would consent to that adoption.

As we approach the yuletide season, the whole question of drinking and driving will again come into focus. The amount of money being spent by this ministry and by the Ministry of the Attorney General to remind people about the dangers of drinking and driving will again be registered on the public consciousness. One really wonders how much impact that has compared to the tremendous amounts of money spent on advertising by the breweries, the distilleries and the wineries trying to convince people to increase their consumption at the yuletide season.

I notice the interministerial report estimates that the brewing industry in Ontario spends a maximum of \$100,000 a year warning against the dangers of combining alcohol with driving. I must say I give credit to Labatt for the innovative advertising campaigns it has come out with. When one puts it in the context of what the ministry spends and with what all the other breweries, distilleries and wineries are spending, it is no contest. It would be like putting the Saskatchewan Roughriders up against the Argonauts or something of that sort—absolutely no contest, even with the Joe Barnes of Brant-Oxford-Norfolk.

I noticed in the study they have dealt with the question of the ban in British Columbia and its effectiveness on the drinking and driving stats in that province. The evidence does not seem to indicate an outright ban has any appreciable effect on the driving statistics.

I would be prepared to accept that. On the other hand, I would argue that this ministry should be collaborating with the Ministry of Consumer and Commercial Relations to get our existing advertising and the alleged restriction, if not ban, on lifestyle advertising considerably tightened. I think the present regulations are a farce. Most breweries violate them daily. I

would almost say it has become so prevalent that it is hard to find a beer ad on television these days that is not a lifestyle ad.

I hope this minister will take a stronger stand in the interests of safety; first, to get the present law and regulations not just observed but strictly enforced instead of stretched and not violated as they are now; and second, to put more emphasis on the question of safety within the ministry, whether it relates to motorcycle drivers or passenger vehicles. It seems to me if we look at the dollars and cents involved there is no other choice whatsoever.

I hope the minister will use his full moral suasion to support any initiative as a result of this report, because I think it has a lot of interesting, stimulating and worthwhile ideas. I especially appreciated the discussion on the question of mandatory jail sentences and the rather inconclusive results in that respect of the studies done, especially south of the border.

I thought some of the other ideas—especially on a data bank and the inadequacies of our present system of licensing and collection of information for use by police forces—brought home some very telling points. They are things that should be acted upon in the upcoming year. I do not think we have to delay them that long. If we could get co-operation interprovincially and with the federal government, we could implement some of the recommendations on a national basis within the next 18 months. In truly safety terms they make really good sense.

5:40 p.m.

I also thought the study had some very interesting ideas on the drinking age, the driving age, lengthening of licence suspensions, advertising, administration of licence suspensions, lower blood/alcohol counts for new drivers and driving curfews for new drivers as well. Obviously some of those would be very controversial, but I think they are questions we have to address in view of the statistics. We have to take note of the change in the public mood. There is a mood developing out there that no longer tolerates the rather easy attitude we have had in the past.

The authors of the report make a comparison to the change in attitudes towards physical fitness and smoking. They bring out the point that those topics were considered rather frivolous and on the peripheries of society but, with a far greater community and sense of public involvement, they became central issues. In fact, the people supporting the change were able to make major legislative changes. Now,

for example, the whole concept of physical fitness is deeply embedded in the culture, especially the middle-class culture of Ontario, if not of Canada.

As to the question of smoking, we just have to look at this city and other major municipalities to realize how much influence that lobby has had on the last three or four years. The strong feelings held by people in such organizations as People to Reduce Impaired Driving Everywhere and Mothers Against Drunk Drivers and some of the decisions made by the courts and the publicity given to those, have created increased public awareness about the whole issue.

We as politicians have to respond to that, not in any simplistic, demagogic way. The answer is not simply mandatory jail sentences. Most of the studies referred to in the report refute the idea that this is actually effective. They also bring out the valid point that it creates a host of new problems. Their basic recommendations in the report about a community-based effort and the need for a permanent office to deal exclusively with drinking and driving are well worth action.

I am glad to see that the Premier (Mr. Davis) has responded by taking some action in appointing, if I am not mistaken, ex-Commissioner Erskine of the Ontario Provincial Police. Personally, I still adhere to the idea we have to look a second time at one of the issues dealing with the question of drinking and driving because we have not looked for a long time. It is the whole question of the minimum age for driving in Ontario.

It is my own personal opinion that it is inconsistent to say people can be driving at 16 years of age but they cannot drink until they are 19 years of age. They cannot vote until they are 18, they cannot assume full adult status until they are 18, but they are free to go out on the roads in some souped-up car or muscle car at the age of 16.

It would be more consistent to have a common age of 18 years. It would save hundreds of thousands, if not millions of dollars, in terms of insurance rates, Ontario health insurance plan costs and general costs if they kept it at that age.

I think the original law was changed in 1917, when we had an almost overwhelmingly rural society. Our society today is now 80 per cent urban in Ontario; and I can see the luxury, I can see the pleasure, I can see the enjoyment, but I have yet to be convinced that it is necessary for the good of society to have 16-year-olds and 17-year-olds driving cars. If we look at the

accident rates, it is the same story every year. The 16- and 17-year-old drivers have the highest accident rates.

I have not heard convincing rationale as to why we continue that practice. Every year I have raised it in the estimates and every year the minister says it is the policy of his ministry not to change the minimum age.

If we are going to look at all these other aspects of driving—drinking, safety, licensing and penalizing or suspending violators of our laws—surely we have to give attention to this question. In 1984, at what age do we want people driving motor vehicles in this province? I am not convinced that 16 is the best age.

I want to close by referring to the testing system we have in this province, more particularly the facilities, especially at the John Rhodes Driver Examination Centre. I had the privilege of touring that facility a couple of months ago and I must say the staff were very co-operative.

I am not convinced they are really putting a great emphasis on the best interests of safety. It may serve the interest of administrative efficiency, it may provide somewhat greater ease for the employees involved in the testing procedure, but that experience did not convince me that it served the safety interest of our society.

It is not a very difficult test to go around a quarter-mile track, do the things you have to do in that test and then be certified to go out on Highway 401, 427 or in any form of expressway traffic. I am just not convinced that mere test prepares one adequately for those driving conditions and the demands of modern city driving.

I think we have to balance the considerations of economy with those of safety. The John Rhodes centre, while it may be a very admirable addition to the ministry's facilities for driver testing, still does not convince me that we are getting our best value for the money we are investing, because if we can keep unsafe drivers off the road at the very beginning we save ourselves all sorts of problems further down the line.

That makes the testing procedures and the whole question of testing extremely important. We should not be putting it in the context of what would save the ministry the most money or what would help us get the most tests done in the least amount of time. I just have a terrible feeling that those were the primary considerations at the John Rhodes centre.

With those remarks, I will terminate my comments.

Mr. Ruston: Mr. Speaker, I would like to make a few comments with regard to the windup of the estimates of the Ministry of Transportation and Communications. I always have a few things I like to get in when the estimates are on, but this year we did cut the time down and we did not seem to have an opportunity to discuss some of them.

I was listening to the member for Cornwall (Mr. Samis) speak about the 16-year-old drivers and I must say I have to disagree with him. Maybe he will change his mind as time goes on.

I started driving when I was 16. I have five children, four of whom started at 16 and one at 18. The reason the other one started at 18 was that he failed twice so he just waited until he was 18 and then got his licence. He was the first one to have an accident, so maybe that was a good sign when he went for his test. Twice he was turned down because one of his problems was travelling too close to the cars in front of him and that is how his first accident happened. Thank goodness none of them had any since.

I think there is nothing wrong with 16-year-olds getting their licences as long as they realize the responsibility they have. I suppose I should not look at my own case, but I see many that are similar. Also, when we are in a small-town rural setting and we have twins playing hockey at five o'clock in the morning, when they get to be 16 it is awfully nice to say: "You can take the car and go skating yourself this morning. I won't have to get up at 4:30."

Mr. Samis: You actually do that?

Mr. Ruston: Yes, that's right; and that was the best thing that ever happened, although on some occasions we borrowed the neighbour's 16-year-old to drive our kids when they were 15 if we were too busy. However, those are personal things that I have always felt very strongly about.

I wanted to mention a couple of things to the minister with regard to the signing of bypasses. The member for Lake Nipigon (Mr. Stokes) brought this up in the estimates a few weeks ago. I think the member has some of the same problems I have seen throughout the province and in my own area, where bypasses are built around many of the towns, small towns some of them. There are different areas where we are building bypasses to keep the traffic moving.

Some of the signs they put up are so small you cannot see them, especially if you are driving—of course, no one breaks the speed limit—at 80 kilometres per hour. Some of these are what we call "finger signs." That is all they are. There is

something pointing there, but it is very difficult to see many of them. From what I can gather, the minister said in some correspondence that they are reviewing this matter, but up to now I am not aware of any new ideas they are coming out with as to what size the signs should be on bypasses where they are designating sometimes only small villages or small towns; or whatever they might be, business places. Of course, there would have to be a place, a town, a hamlet or something.

5:50 p.m.

I am wondering if we should be looking at some type of better signing than we have for designated places to get off even the main highways, like 401, 400 and so forth. In some cases, I find people go by them almost before they realize it, such as those that are built off the roads at some of the overpasses. I think that is something we should be looking at, and hopefully the minister will come up with some new suggestions. We have many suggestions, but apparently none of them have been accepted by the ministry.

I have a kind of local problem with regard to the construction and rebuilding of Highway 18 in Essex county. I know the minister is aware of it. It is currently a two-lane highway and they are making it into a four-lane highway. It is going to put the curb construction to within about 11 feet to the front of a living room. I do not know if anybody can live and sleep in a house within 10 or 12 feet of a car or truck going by at about 70 kilometres an hour, or whatever the speed limit will be, but I have a feeling that it might shake them out of bed.

Those are some of the problems I wanted to bring to the attention of the minister; they are quite serious. Regarding the reconstruction of this highway, I think he is going to have real difficulty in construction without acquiring some property and maybe having to move a few houses; not too many, but I have a fear that some of them are going to be very close. I do not think it is going to be feasible to leave them that close. That is all I have to say at this time.

Mr. Stokes: Mr. Speaker, I want to ask the minister whether or not there is anybody in his ministry—I think the third largest in government in terms of its expenditures and in terms of the number of employees, who by and large do an excellent job—who plans on a long-range basis with municipalities, with other ministries, with resource-based industry for accessing communities, resources, and particularly the amount

of dollars everybody, for whatever reason, spends on access.

Has this ministry ever sort of taken a step back from what is done very well by way of new construction and maintenance, to see how the funds are spent, whether it be directly by his ministry, on priorities set by the Ministry of Northern Affairs in those areas north of the French River; or the way in which funds are spent by forestry companies, mining companies and by some individuals accessing cottage-lot subdivisions? Literally tens of millions of dollars are spent annually.

We find situations where we have orphan roads in places such as Auden, Hillsport, Biscotasing, Pagwa River; a good many places throughout the province where, if it were not for the vigilance of his ministry, with the assistance in many instances of the Ministry of Natural Resources and in other instances by the Ministry of Northern Affairs, we would have people in those communities who perform yeoman service on our behalf in much the same way as many of our employees do in keeping the lines of transportation open.

I am thinking of those communities along the north line of the Canadian National Railway. The minister, along with other ministries, has co-operated in keeping those roads open and maintaining them. The people who spend money on roads do it in their own particular way, serving their own particular interest without any overall plan. The minister knows that at least 15 per cent of the forested area in northern Ontario is taken up with roads when a good deal of that area should be dedicated to the production of forest products.

It seems to me officials of this ministry, if they sat down and looked at that plate of spaghetti we get if we put all the roads in existence, whether they be secondary highways, access roads, roads that for whatever reason we spend taxpayers' dollars on, would see we have situations where there are a good many people who are responsible for keeping the lines of communication open between eastern and western Canada in northern Ontario, the heartland of the nation, yet we do not have the wit—I think we have the will—and we do not have the plan to provide a level of service that everybody down here takes for granted and absolutely insists on, that is access to existing essential services.

The minister knows we have many communities in the north that do not enjoy that basic level of service, indeed that basic right. It is not that

we are not spending the money. Heaven knows I can show the minister areas where we are accessing timber resources. We have Great Lakes coming in from one direction, Domtar coming in from another direction and Abitibi coming in from another direction; yet there is no overall plan.

We have communities that are not served at all. Some of them are isolated and are accessed only by rail transportation. I am convinced we are spending more than enough money in total. Whether it is Domtar or whoever, the cost of them extracting the wood translates itself in the cost of the product to the consumer. So in a very real sense, whether it be by way of tax dollars under a federal-provincial subagreement to access those timber resources or however we do it, the cost ultimately comes down to the consumer, who is, in fact, the taxpayer.

I am convinced we are spending more than enough money to provide the basic transportation needs of everybody in Ontario, save the northern Indian reserves. I am convinced we are spending more than enough money to access every community south of the 50th parallel wherever people live in Ontario, yet we have this shortfall. The Ministry of Transportation and Communications, in concert with the Ministry of Natural Resources and the Ministry of Northern Affairs, has to come up with a year-to-year arrangement whereby we can provide access to those areas.

I ask the minister whether he has somebody within his ministry who monitors those expenditures and whether anybody in his ministry has taken the time to analyse the hundreds of millions of dollars we spend every year on road access, capital funding and maintenance. Yet if we did not have people in those out of the way places, Canadian National would not keep operating efficiently, Canadian Pacific would not be operating, Ontario Hydro would not be as efficient, Bell Canada would not be as efficient. For all of those agencies, whether they be in transportation, communication or some other service, we have to have those people in little out of the way hamlets to maintain those services on our behalf.

Will the minister address himself to that problem so that we can get the biggest bang for our transportation dollar and we can remove those people from the isolation they find themselves in at the present time?

On motion by Mr. G. I. Miller, the debate was adjourned.

The House recessed at 6:01 p.m.

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Cassidy, M. (Ottawa Centre NDP)
Charlton, B. A. (Hamilton Mountain NDP)
Conway, S. G. (Renfrew North L)
Cooke, D. S. (Windsor-Riverside NDP)
Copps, S. M. (Hamilton Centre L)
Cousens, D., Deputy Chairman and Acting Speaker (York Centre PC)
Cunningham, E. G. (Wentworth North L)
Drea, Hon. F., Minister of Community and Social Services (Scarborough Centre PC)
Elgie, Hon. R. G., Minister of Consumer and Commercial Relations (York East PC)
Foulds, J. F. (Port Arthur NDP)
Gregory, Hon. M. E. C., Minister of Revenue (Mississauga East PC)
Grossman, Hon. L. S., Treasurer and Minister of Economics (St. Andrew-St. Patrick PC)
Henderson, L. C. (Lambton PC)
Hennessy, M. (Fort William PC)
Johnston, R. F. (Scarborough West NDP)
Jones, T., Deputy Speaker and Chairman (Mississauga North PC)
Kennedy, R. D. (Mississauga South PC)
Kerrio, V. G. (Niagara Falls L)
Leluk, Hon. N. G., Minister of Correctional Services (York West PC)
Martel, E. W. (Sudbury East NDP)
McCague, Hon. G. R., Chairman, Management Board of Cabinet (Dufferin-Simcoe PC)
McClellan, R. A. (Bellwoods NDP)
McGuigan, J. F. (Kent-Elgin L)
Nixon, R. F. (Brant-Oxford-Norfolk L)
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Rae, R. K. (York South NDP)
Ramsay, Hon. R. H., Minister of Labour (Sault Ste. Marie PC)
Renwick, J. A. (Riverdale NDP)
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